

SENATE—Thursday, May 27, 1993

(Legislative day of Monday, April 19, 1993)

The Senate met at 9 a.m., on the expiration of recess, and was called to order by the Honorable RUSSELL D. FEINGOLD, a Senator from the State of Wisconsin.

PRAYER

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

Let us pray:

Except the Lord build the house, they labour in vain that build it: except the Lord keep the city, the watchman waketh but in vain.—Psalm 127:1.

Almighty God, Lord of history and the nations, give us the grace to acknowledge our need of You. Forgive us for saying we believe in You and acting as though You are nonexistent. In our sophisticated age of science and technology, we assume there is no problem we cannot solve, then wonder why our best efforts so often seem futile. Help us understand that we do not abdicate our responsibility when we look to You for aid. We do not abandon our intellect when we look to You for wisdom.

Grant us grace to acknowledge our need of You, that we may face our problems, personal and political, with hearts that are strengthened and minds enlightened by divine intervention.

In the name of Jesus, Light of the world. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

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

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RUSSELL D. FEINGOLD, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

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

RESERVATION OF LEADER TIME

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

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 3, which the clerk will report.

The bill clerk read as follows:

A bill (S. 3) entitled "Congressional Spending Limit and Election Reform Act of 1993."

The Senate resumed consideration of the bill.

Pending:

(1) Mitchell/Ford/Boren amendment No. 366, in the nature of a substitute.

(2) Wellstone amendment No. 367 (to amendment No. 366), to strengthen the restrictions on contributions by lobbyists.

(3) Wellstone amendment No. 368 (to amendment No. 367), in the nature of a substitute.

(4) Hollings amendment No. 380 (to amendment No. 366), to express the sense of the Senate that the Congress should adopt a joint resolution calling for an amendment to the Constitution that would empower Congress and the States to set reasonable limits on campaign expenditures.

Mr. GRASSLEY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to address the Senate for 10 minutes, as if in morning business. However, if the leadership wants the floor before that period of time, I will give it up whenever the leadership ask for it.

Mr. SPECTER. Reserving the right to object, and I shall not object, I would just like to say, in advance of the time for the distinguished Senator from Iowa, that I am here this morning to proceed in support of amendment No. 380, which is a sense-of-the-Senate resolution calling for a constitutional amendment to permit Congress and State legislatures to impose appropriate limits on campaign financing.

Senator HOLLINGS, my distinguished colleague, is here, so I shall say no more about it and yield at this time to our colleague from Iowa.

The ACTING PRESIDENT pro tempore. Is there further objection? If not, without objection, it is so ordered.

A LEADERSHIP CRISIS IN WASHINGTON

Mr. GRASSLEY. Mr. President, on May 23, the Des Moines Register wrote an editorial that I would like to take issue with. The issue is the Clinton Presidency. The arguments advanced by the Register represent an understandable viewpoint. However, it does

not quite hit the mark. I rise today to help focus the aim.

The editorial is called "The Deficit, and a Gridlock of Spirit." The gist of the article is the following—and I use the Register's own words:

Americans are not behaving as one people, but rather as a collection of groups, each with its own agenda.

Clinton * * * needs to incite a loud public roar for action that can be heard above the shrill pleadings of all the "me-first" voices.

Clinton needs to succeed in this. Not for his sake, but for the country's.

Mr. President, the problem is correctly depicted by the Register. So is the solution. But the means for solving the problem, Mr. President, are not correct, in my view. My statement this morning is about the means. It is also about leadership.

The Register correctly points out that Members of Congress are often preoccupied with the parochial interests of their States and districts. It is the job of the President to lead the country above that level of politics.

From that standpoint, the Des Moines Register is correct, Mr. President. That is how the Founding Fathers envisioned it. The House of Representatives was closest to the people and mirrored their passions; the Senate would ensure that reason would temper the passions that spilled over from the House; and, the President would inspire and lead the Nation to a higher purpose for the collective, public good.

The Register's editorial suggests that the President should lead by taking his case to the people, and by directly confronting his opponents.

It seems the Register is saying that if the President would just yell loud enough, the public would be outraged and Members of Congress would do what is right.

But the problem is, the President has not come up with what is right. And coming up with what is right is the whole essence of leadership.

Albert Einstein once said:

Setting an example is not the main means of influencing another, it is the only means.

This is where it all starts, Mr. President. Leadership begins and ends in the example set by the White House.

Let us review the White House record.

The President campaigned as one of the common folk. Yet the common folk do not spend \$200 for a haircut.

The President campaigned in support of public education. Yet his daughter goes to a private school.

The President says he will cut his staff by 25 percent. But he replaces

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

them through the back door from other agencies.

The Vice President campaigns on re-inventing Government. But the Vice President has five offices, and a large staff to run them all.

There are more examples. But I assume the point is clear, Mr. President. Setting an example is the only means for leadership. When the example is not set, no one will follow.

What is more, the economic plan itself is not perceived as fair.

The polls are reflecting this. The latest polls show that the President's approval ratings are now lower than his disapproval ratings. For his performance on the economy, it is lower still.

Is this surprising, given that the reconciliation bill has \$5 in tax increases for every \$1 in spending cuts?

Is this surprising, given that the President himself has not sacrificed even though he asks America to?

Is this surprising, given that the President got only 43 percent of the vote in November?

Mr. President, leadership-by-example and fair policies provide one with the moral authority to lead. Without fairness and without example setting, there can be no leadership. No one will follow when the moral authority to lead is absent.

When the President lacks the moral authority to lead, what happens is that politicians and the people sink to that lower political level—where each defends his or her narrower interest or agenda. This is the natural state of a civil society. The one is the direct result of the absence of the other.

Yes, the President needs to, as the Des Moines Register says, incite a loud public roar for action.

We all want the President to succeed for the country's sake. But that roar must be for what is right. And \$5 in tax increases to \$1 in spending cuts is not right. And it sure as heck is not right when the President says he will set an example and then does not.

What we have here, Mr. President, is the makings of a leadership crisis in Washington. This crisis is evident in that not only are Republicans trying to hold the President to his campaign pledges, but so are the Democrats. And most importantly, so are the people. It was the Republicans saying "no" to the stimulus pork bill.

But it is the Democrats, along with this side, saying "no" to the tax bill. And it is the people saying "cut spending first."

And it is not just here at home. Our European allies are turning their backs on our entreaties to address the situation in Bosnia.

All of these examples are indicators of a growing perception of failed leadership. Someone needs to tell the emperor he has no clothes. And then someone needs to find him a fig leaf.

Who is advising the President, anyway? Is it the same ones who advised

him to get a \$200 haircut at LAX for 45 minutes, while traffic was rerouted?

Is it the same ones who advised the FBI to provide cover for travelgate?

Mr. President, this is a serious issue.

Perhaps the White House would like some gratuitous advice. Well, here goes:

First, we should not blame the public for not hearing the message. They have heard the message, and it is not selling.

And, we should not blame Congress for not wanting to swallow a \$300 billion tax hike. It is the wrong medicine for what ails America. If you think it is the right medicine, I will bet you would spend \$200 for a haircut.

The moral of the story is, you cannot make followers follow. That is like trying to force a cat to purr. Cats cannot be forced to purr. They purr only when you treat them right—and you have to convince them that you are sincere.

Instead, you have to make leaders lead. And before you can lead, you need to come up with what is right—for Democrats, for Republicans, and for all Americans.

The way you get a cat to purr is to love it. The way you get a nation to follow is to lead it.

You need to set the example, and ask them to do what is fair. That is what is missing from this administration.

You cannot ask others to do what you are not willing to do yourself.

Right now, there is no leadership coming from the White House because it lacks the moral authority required. The White House has cut that right out from under itself: Beginning with its many broken promises, and right up to travelgate and hairgate.

Mr. President, this administration already faces a skeptical public, full of cynicism. It faces a skeptical international community. It faces not just a partisan foe in the Republican Party—but it also faces the significant Perot factor.

That is an awful lot of skeptics that this President needs to lead. The more skeptical they become, the tougher it is to lead them. It is enough to compel anyone to get its act together. Otherwise, this administration will come apart at the seams.

So much for free advice from this Senator. Perhaps the advice of a former President would carry more weight.

Dwight Eisenhower once had this to say about leadership. He said:

The supreme quality for a leader is unquestionable integrity. Without it, no real success is possible, no matter whether it is in a section gang, on a football field, in an Army, or in an office. If his associates find him guilty of phoniness, if they find that he lacks forthright integrity, he will fail. His teachings and actions must square with each other. The first great need, therefore, is integrity and high purpose.

Mr. President, this quote from former President Eisenhower captures

the essence of the problem facing this administration. The solution is not to yell louder so the public can hear. The solution is not to directly confront opponents. The solution is not to blame the followers for not following.

The solution is to lead and inspire. We need a vision of high purpose and a policy of fairness to reach it. We need forthright integrity, in which—as Eisenhower says—teachings and actions square with each other. And, we need a leader to set an example—one who does first what he asks others to do.

Mr. President, America desperately needs this kind of leadership. Without it, we will not succeed in turning our country around. I just hope the White House gets the message.

I ask unanimous consent to have the editorial from the Des Moines Register printed in the RECORD.

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

THE DEFICIT, AND A GRIDLOCK OF SPIRIT

It's only natural for members of Congress to represent the parochial concerns of their states. Congress has always been a cacophony of narrow interests, each tending to put its own welfare first.

It's the president's job to overcome that. Only the president is elected by all of the people. Only the president can rise above regional and special interests in trying to move the country ahead as one nation, guided by the broad national interest.

Bill Clinton's presidency is in danger of failing because of his inability, so far, to do that. His program is being picked to shreds in Congress.

Midwestern members want to keep a tax break for ethanol and oppose higher fuel taxes for river barges. Western members oppose higher grazing and mining fees on public lands. The aluminum industry makes a case for exemption from higher energy taxes. Eastern coal interests succeeded in getting a tax shifted to electricity producers instead of coal companies. And on and on.

The biggest blow came last week when Democratic Senator David Boren of Oklahoma declared he will not under any circumstances support Clinton's proposed energy tax. He's a member of the Senate Finance Committee, and the tax might well be dead without his vote.

The proposed tax on the Btu content of fuels is the cornerstone of Clinton's program. Having already seen his modest economic-stimulus package gutted in Congress, Clinton cannot let it happen again to his much more important deficit-reduction program.

An intact Btu tax, or a substitute new tax that will raise as much or more revenue, must be passed by Congress this year. The combination of a tax increase and spending reductions is the only hope of significantly reducing the runaway federal deficits.

The spiel of Clinton's opponents is that spending should be cut more before taxes are raised. But look closely at their proposed cuts and most of them amount to promises to cut something sometime in the future, not now. Sound familiar? It's just another variation of the same old game that caused the problem in the first place.

Without Clinton's program, or something close to it, nothing will change. America will keep sinking deeper into debt. The gridlock on the Potomac will not have been broken.

By electing a president and a Congress of the same political party, voters last fall might have thought they were breaking the gridlock. But it is becoming apparent that the paralysis is something more profound than a mere difference between Republicans and Democrats. There is a gridlock of the spirit in this country, and it is reflected in Washington.

Americans are not behaving as one people, but rather as a collection of groups, each with its own agenda. Don't cut my benefits; cut somebody else's. Don't tax my industry; tax somebody else's. Perhaps this is not any worse than it's always been, but the rise of political-action committees and special-interest-group politics has given it more expression. Clinton's task may be more difficult than faced by presidents of the past, but it's still his job to weld the nation to a common purpose.

Clinton has begun to take his case to the people, but he needs to do it more effectively. He needs to paint the sorry picture of what will happen if his program isn't enacted; he needs to cast a vision of how things will be better if it is. He needs to confront directly those who oppose him by asking whether they represent the national interest or narrow interests. And he needs to incite a loud public roar for action that can be heard above the shrill pleadings of all the "me-first" voices.

Clinton needs to succeed in this. Not for his sake, but for the country's.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

AMENDMENT NO. 380

Mr. SPECTER. Mr. President, the pending business is the campaign finance reform bill and the pending amendment is the one which was laid down last night, shortly before adjournment, offered by the distinguished Senator from South Carolina, who is on the floor, and a number of other Senators, including myself.

The amendment which is pending is a very brief one. It states:

It is the sense of the Senate that Congress should adopt a joint resolution proposing an amendment to the Constitution that would—

(1) empower Congress to set reasonable limits on campaign expenditures by, in support of, or in opposition to any candidate in any primary, general, or other election for Federal office; and

(2) empower the States to set reasonable limits on campaign expenditures by, in support of, or in opposition to any candidate in any primary, general, or other election for State or local office.

The constitutional amendment is necessary because the Supreme Court of the United States, on January 29, 1976, ruled that the first amendment freedom of speech contained within it a constitutional right for any candidate to spend as much of his or her money as that candidate chose. In so doing, the Court invalidated a provision of the 1974 campaign finance law which limited what individuals could spend.

At the same time, the Court upheld other limitations in the statute which limited the amount that other individuals may give to a candidate; illustratively, for a Senator, \$1,000 in a primary and \$1,000 in a general, and political action committees being limited to \$5,000 in the primary and \$5,000 in the general.

There are, beyond question, items which ought to be changed. There is great public cynicism and great public outcry about campaign financing, and there ought to be changes. That is why we are debating this bill. But the crux of the issue has turned on Buckley versus Valeo, and the constitutional requirement that an individual be allowed to spend as much of his or her own money as he or she may choose.

The more direct approach, the most direct approach, is the one proposed by Senator HOLLINGS and myself, which goes to the core of the Buckley decision, and says that campaign expenditures are not a part of freedom of speech.

The Buckley versus Valeo decision was a hotly contested case, with dissents—a split Court. To my view, my opinion, my judgment—having worked over the Constitution for some considerable time since law school, in the practice of law, being district attorney of Philadelphia, being in the Senate for almost 12½ years, and serving on the Judiciary Committee—it is not within the appropriate ambit of freedom of speech to allow someone to spend as much money as he or she may have to win a political office.

Freedom of speech is a very highly prized possession in the United States and in the world. It is part of a series of guarantees under the first amendment to the U.S. Constitution. Others are freedom of religion, the right to assemble, and the right to petition the Government. Our powers to speak freely are at the core of our ability to correct injustices and to right wrongs. Freedom of speech is very, very important. From freedom of speech spring many corollary rights.

But why should a rich person have an enormous advantage on becoming a U.S. Senator because that person may spend millions—or whatever it takes—to win a seat in the U.S. Senate? As long as it is possible for someone to come from Wisconsin, the home State of the Presiding Officer, or from South Carolina, the home State of Senator HOLLINGS, or from Pennsylvania, my home State, and enter the race and plunk down \$10 million or \$12 million or \$15 million, or whatever it takes to win a seat in the U.S. Senate.

Why is that related to speech? Speech is the ability to go into shopping centers, go into streets, go into halls, go into meetings, to introduce oneself, talk to people, express ideas, articulate views on how a budget ought to be structured, what we ought to be

spending our money on: education, environmental training, job protection, economic development, housing, highways, mass transit—and the projection of the candidacy to persuade people that a given individual is the right person to be a U.S. Senator.

It is a high honor, a very high honor to serve the State of Pennsylvania or any State as a U.S. Senator. In addressing this issue, I know that since we have gone on television, C-SPAN 2—there are people in California where it is 6:21 a.m., and people in Hawaii, where it is 4:21 a.m., maybe some insomniacs are interested in this issue, or they might even be interested in this amendment, who knows—but people are watching this proceeding.

A Senator can come to the floor, and too often we have quorum calls. For those who do not know the intricacies of the Senate, that means that somebody has suggested the absence of a quorum. It is a procedure employed to say we are not ready to transact any further business. When a quorum call is on, any Senator may seek recognition, may ask unanimous consent to proceed, as we call it, "as if in morning business."

I am sure many wonder why we use that phrase. It is a phrase used so that we may introduce a bill or speak about a subject, as the distinguished Senator from Iowa [Mr. GRASSLEY] just did about the editorial from the Des Moines Register.

So coming to the Senate as a Senator is a very high honor and a privilege and an opportunity to really have an effect on public policy in the United States.

But it seems to this Senator that to give special advantage to the wealthy, to someone who can put millions of dollars down, is not an appropriate interpretation of the Constitution of the United States. Charles Evans Hughes, a great Chief Justice of the Supreme Court, said the Constitution is what the Supreme Court says it is. That is the long of it and that is the short of it.

When the Supreme Court of the United States comes to a decision 5 to 4, among the nine Justices, on a hair-line judgment, or when the Supreme Court comes to a judgment sometimes without having five Justices in agreement on the approach to the Constitution, and there may be one opinion with three Justices and two others may concur specially, and that establishes the constitutional parameter, that is the law of the land until there is another case which goes before the Supreme Court, and decisions may be reversed.

No one has challenged Buckley versus Valeo, so the appropriate course to take is to bring a constitutional amendment. Senator HOLLINGS and I and others have had problems getting this matter moved through the process, out of committee and onto the Senate

floor. It takes a two-thirds majority from the House and from the Senate, and ratification by three-fourths of the States. So it is a complicated matter.

Senator HOLLINGS and I talked in advance of this bill coming up. We agreed that we would seek an early spot on this bill to have the Senate express its sense. This is not binding. But it is a significant step forward in moving to a constitutional amendment.

When the issue has been raised, Mr. President, to have campaign finance reform, a sticking point has consistently been public financing. Those who have advocated a change in the campaign laws want to have the public pay for elections. The central reason to have the public pay for elections is to set up a mechanism where individual Senators, individual candidates would be unwilling or unable or reluctant or simply will not contest the campaign limits which the legislation would establish.

The procedure goes like this: Campaign finance reform established an amount of money which could be set hypothetically in Pennsylvania. The first campaign finance reform provided for close to \$4 million for each candidate in Pennsylvania. Then there have been a variety of provisions to enforce acceptance by saying that if one candidate refused to accept the \$4 million and the limit to spend no more than \$4 million, then there would be negative consequences. His opponent would get the \$4 million that was allocated to him, and there would be other sanctions in order to compel, in effect, a candidate to accept that limitation.

I am very, very much opposed to public financing of campaigns. It is my view that in an era where our deficit is in the range of \$4 trillion, and we talk about a projected deficit over the next 5 years for an additional deficit of \$1.1 trillion, that is simply unwise, as a matter of public policy, to put any more expenses on the public.

President Clinton has spoken about reducing the deficit by \$500 billion, but if you read the fine print and check the tables, you find that it is not true the deficit will be reduced by \$500 billion. But what is true is if you take former President Bush's projection over 5 years for a deficit of \$1.6 trillion, that is \$1,600,000,000,000 and compare that to President Clinton's projection which is \$1,157,000,000,000, President Clinton claims to project a deficit reduction of almost \$500 billion but only against a projection of \$1.6 trillion. When we have these kinds of deficits, it seems to me we ought not to be talking about public financing or adding any further burden on the public.

The issue is one that is especially sensitive to this Senator, because when I decided to stand for election in 1976, I did so in the context of the existing 1974 law, which established a ration for a primary campaign in Pennsylvania

where an individual would be limited to spending \$35,000. That was about as much money as I had, having devoted most of my life to public service, so I decided to run for election. Right in the middle of the campaign, January 29 of 1976, the Supreme Court came down with the famous decision of Buckley versus Valeo saying that most parts of the act were constitutional but that provision was not constitutional.

I then filed papers for leave to intervene in the case on the ground of personal prejudice, and, in my view, that was an incorrect decision. I applied for leave to intervene and applied for reargument in the case, all of which was denied.

That campaign that I ran in 1976 was against a man later to become a very close colleague of mine in the U.S. Senate, the late Senator John Heinz. When the campaign restrictions were limited, Senator Heinz did, as was appropriate under the law, spent his own funds, and not in a modest manner, and won the election. It was a close 2.6 percent election. The Associated Press, I believe it was, at 1:30 a.m. the day after election day declared me the winner, but when the returns were in from the whole State, Senator Heinz had prevailed by some 26,000 votes out of approximately 1 million votes cast.

It seemed to me since that time that we really ought to go to the core of the problem, and the core is Buckley versus Valeo.

I spoke briefly last night when the issue came to the floor, and the statement is in the CONGRESSIONAL RECORD. I will await the other arguments with interest, but I do urge my colleagues to take a close look at this issue, especially in the context of the sense-of-the-Senate resolution. This will give us some direction as to where to go, and I suggest that it will do justice to have an appropriate interpretation of a very important provision of the U.S. Constitution.

I see my colleague from South Carolina has risen, so I yield the floor.

Mr. HOLLINGS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me thank the distinguished Senator from Pennsylvania. He has been a conscientious leader in this quest to limit campaign spending.

Let's get right to the crux of the corruption. Let's get to the fundamental logical error of the Buckley versus Valeo decision. In this landmark 1976 ruling, the Supreme Court mistakenly equated a candidate's right to spend unlimited sums of money with his right to free speech. In the face of spirited dissents, the Court drew a bizarre distinction between campaign spending and campaign giving. For first amendment reasons, the Court struck down limits on campaign spending. But it

upheld limits on campaign contributions on the grounds that "the governmental interest in preventing corruption and the appearance of corruption" outweighs considerations of free speech.

I have never been able to fathom why that same test—"the governmental interest in preventing corruption and the appearance of corruption"—does not overwhelmingly justify limits on campaign spending. However, it seems to me that the Court committed a far greater error by striking down spending limits as a threat to free speech. The fact is, spending limits in Federal campaigns would act to restore the free speech that has been eroded by Buckley versus Valeo.

If there has ever been a distortion and a twist and an upside down amending of the Constitution by way of a Supreme Court decision, Buckley versus Valeo is it. There is not any question. Opponents of my measure will argue that we must not meddle with the Constitution. Yet, the fact is of the last five amendments, four of the five dealt with elections. And then opponents say, well, amending the Constitution is too long a process. Yet the average of four of those five is 17 months. Meanwhile, by failing to take the constitutional amendment route, we have been on this particular subject fruitlessly for over 20 years, like a dog chasing its tail. And the so-called legislative remedies get more and more complex, more and more expensive, more and more partisan.

I have never seen such nonsense as some of the amendments and maneuvers surrounding this underlying bill, and worst of all is the attempt to coerce candidates into allegedly voluntarily accepting spending limits. Everyone knows what we are doing is unconstitutional. But we pat ourselves on the back, saying we have the best of intentions, we are good boys and girls, we are against corruption. We are for limits. We are working hard. Yet, all along, we know this bill is not going anywhere, and even if it is passed, much of it will be found unconstitutional.

And then we say, why does not the President get to work. Well, why does not the Congress get to work? We should long since have passed the reconciliation bill. That was my contention at the very early day of this particular session. Pass that reconciliation first thing. Put the horse before the cart rather than the stimulus bill before the reconciliation, and we would have passed both with little problem.

What we need is leadership. Instead we have wandered into this self-flagellation, implying that everybody is corrupt. The lobbyists are corrupt. Public financing is corrupt. PAC's, political action committees, everybody is corrupt but us, and we want you to know we are good boys and girls. Nonsense.

Back in 1974, when we passed the bipartisan Federal election campaign amendments, we directly addressed the problem of excessive spending. We put reasonable spending limits on Federal campaigns. The idea was to get at the alligators, the abuses, by draining the swamp.

You have to recall the rampant abuses of the time, with huge amounts of money sloshing around. When Nixon was running in 1968, his money men put the squeeze on textile executives in my State. Each one was told to cough up \$35,000. They were told by a campaign official in Washington that their fair share was \$35,000 each and that 10 of them were to raise \$350,000. And I said, heck, I have been Speaker pro tempore in the legislature, Lieutenant Governor, Governor, been working with that textile crowd 20 some years myself, and they never had given \$350,000 to me, much less somebody in Washington.

But they did it. And others were told equally clearly what they had to pay up. Some were told that payments due from the Government would not be made until they came up with campaign money. And later the orchestrators of this extortion racket got involved in a plea for a misdemeanor. That crowd had put on the full court press to buy the office of the Presidency.

After President Nixon got in office, his Secretary of the Treasury, John Connally said, now, Mr. President, we raised all of this money but you have not even thanked them, and most of them you have not even met. They would like to shake your hand. They would like to at least say they met you. So Nixon said, well, that is a good idea, and so Connally said come down to my ranch in Texas; we will have a barbecue and you can meet these folks and thank them. And to draw attention to this outrage, the prankster from the Kennedy crowd, a fellow named Dick Tuck, he put a Brinks armored car right out at the entrance to the Connally ranch. The media covered the story, and talked about how they were buying and selling the Presidency.

We were all embarrassed. Republicans were embarrassed; Democrats were embarrassed. Back then, we had a conscience around here, not a bunch of pollsters. And we said, look, we are really going to have to limit spending. So we got together and both sides fashioned the Federal Election Campaign Amendments Act of 1974.

It was very clear-cut, not complex. For starters, we said, no cash. I never will forget the stories of Bobby Baker under the Democratic administration supposedly running around this place collecting and distributing cash. So we said it was a crime to take cash. And, of course, no corporate contributions. We also said that contributions were going to be limited, \$1,000 per individ-

ual and \$5,000 for a political action committee.

Now, that was a very conservative restriction on campaign contributions, given the environment of \$2 million contributors out of Chicago, \$500,000 contributors out of my own State to the Nixon campaign. We limited individuals to \$1,000. And we limited political action committees to \$5,000. Moreover, every dollar contributed was going to appear on top of the table, open to public scrutiny in your records. Every dollar spent was going to appear on top of the table in your records. You were required to file those records with the Secretary of the Senate, and in your own home State with the Secretary of State so they would be available.

So we attempted with that very simple measure to clean up politics, especially the abuse of the large contributor. We were going to limit the buying of public office.

The distinguished Senator from New York, Jim Buckley—and I say this with affection because I had received contributions from his father, William F. Buckley, Sr., in my campaign for governor of South Carolina. William, Senior was a winter resident of Camden, SC. Jim said, oh, no, by limiting how much of my personal wealth I can spend in my own campaign, you are trying to limit my speech, and I am going to prove it. And he sued the Secretary of the Senate, Frank Valeo, in the case of Buckley versus Valeo, and in a 5-to-4 distorted, split decision the Court equated political speech with money. But the real perversion in that decision was that the court limited those who gave money and let run free those who spent it—the exact opposite of the intent of the 1974 Federal election campaign amendments.

That act did not worry about contributors. The contributor's name—and this goes right to the heart of the Buckley versus Valeo decision about corruption, or the appearance of corruption in contributing—the contributor's name was open to the public and on the public record. You could see it. If you received all of your money from textiles, one could argue that the textile industry bought the fellow, or the oil industry bought the fellow, or PAC's, if PAC's are corrupt. And I am absolutely positive they are not. As an old JC, I remember our emphasis on encouraging citizens to participate.

"Politics is the practical art of self-government," said Elihu Root. "And someone must attend to it if we are going to have self-government." And Root went on speaking and finally concluded with a very cogent observation that: "The principal grounds for reproach against any American citizen should be that he is not a politician."

In participatory democracy and America itself every citizen counts. You can count in a negative way by not

participating. You can count in a positive way by participating. Through the vehicle of PAC's, doctors, lawyers, nurses, teachers, and labor folks, what have you, can get together, pool their modest contributions and have a voice.

It is unfair to now turn against PAC's and label them negatively as special interests. They are interests. They are especially interested, especially committed. That is the premise for their coordination and thereby for their contribution, to be sure their particular interests are represented. I have been in the game 40 years. No one has ever said a special interest bought me. That would be just out of the whole cloth. If there is any evidence of your being bought, you are through, I can tell you that.

Incumbency. In this morning's Post, we had to read another article about incumbency and term limitation. If we can just get term limitations on these editorialists, we can get cleaned up in this town.

I listened to the Senator from Iowa chastise the President. Oh, how ram-bunctious they are. They pretend to want the President to succeed. But they point out he got an expensive haircut. And he did this and he did that. So they keep up this nagging drumbeat to tear down the Presidency, when that is the crowd on the other side of the aisle that raises taxes \$1 billion a day.

One billion dollars a day for interest costs on the national debt, which are a hidden tax that cannot be repealed. You can repeal catastrophic health insurance taxes, as we did. We can repeal luxury boat taxes. But you cannot repeal interest cost taxes. You have to pay it. That is the dilemma we are in. That is why the debt will go up another \$1 trillion, even while we carry through with the President's program, because his 2 predecessors quadrupled the national debt during the past 12 years. So it is galling to hear Senators on the other side of the aisle claim that the difference in philosophy between the two parties is that they want to pay the bill. Good, golly, Moses. They have wrecked the Government and the economy, and now they pose as fiscal conservatives.

One editorial this morning said that we are for campaign finance reform because we are against term limits. I am against term limitations, period. We already have term limitations. That is why we printed the Constitution in the CONGRESSIONAL RECORD yesterday. The Constitution clearly provides for term limits of six years in the Senate, 2 years in the House.

I have been reelected six times. Each time you have to answer to your people. I can tell you incumbency is no advantage. Right now we know that 10 Senators who were here last year are not here this year. And the biggest issue I had against my particular can-

didacy in the 1992 campaign was incumbent. People said it was so fouled up in Washington, they didn't want to hear from me; we have heard enough of you; forget your record; you are just an incumbent; get rid of you.

Mr. President, the Buckley versus Valeo decision, was a violation of the first amendment. This Constitutional amendment will undo the damage by stating that the Congress is hereby empowered to control expenditures in Federal elections, and States are hereby empowered to control expenditures in State elections. This simple amendment restores the violated freedom of speech in Buckley versus Valeo. The Supreme Court, by a 1-vote margin, amended the Constitution. They are the ones who violated the Constitution by saying money is speech in politics. Those who give money can be limited. Those who have money can spend in unlimited amounts. If you have the money, you have effective freedom of speech. If you do not have the money, you have the freedom to shut up.

That is why we are in this dilemma of coercing people to accept spending limits while pretending it is voluntary. That is why some want public financing. I oppose both, and both are headed for an unconstitutional finding.

So the only way that we can get to the root problem is by a constitutional amendment. In a bipartisan fashion Senators of goodwill on both sides have supported this constitutional amendment for the past 7 years. We could not amend S. 3 with a joint resolution. The bill after three readings of the House and Senate goes to the President for approval; the joint resolution, three readings in the House and Senate, goes to the States for their approval. So this underlying bill is not amendable with a joint resolution. That is why we have opted for this vehicle of a sense of the Senate resolution.

I really do not like these sense-of-the-Senate resolutions. They are like that constitutional amendment to balance the budget. They are ineffectual. They are like a football team running up in the grandstand, shouting "We want a touchdown." If they are serious, they should get back down on the field and score the touchdown. Likewise, if we want a balanced budget, then let's balance the budget. Put something in that is real.

That is why I am pushing for this direct solution to the problem. It would put an end to 20 fruitless years of debate on this subject.

So this sense of the Senate resolution is designed to get the attention of our colleagues, to point the way out. Let us get constitutional authority so the Congress can control the expenditures. And we have good scholarly support for this approach, beginning with the Commission on the Constitution headed by Mr. Lloyd Cutler and others. The distinguished Senator from Kansas has been on that particular commission.

Bear in mind, four of the last five amendments to the Constitution had to do with elections. And nothing is more important, because it is runaway spending that has really corrupted us. We are all painfully aware of the uncontrolled escalation of campaign spending. The average cost of a winning Senate race was \$1.2 million in 1980, rising to \$2.1 million in 1984, and skyrocketing to \$3.1 million in 1986, \$3.7 million in 1988, \$3.3 million in 1990, \$3.5 million in 1992, and up, up, and away. Overall spending in Congressional races increased from \$403 million in 1990 to \$522 million in 1992—more than a 20 percent increase in 2 years' time.

This obsession with money distracts us from the people's business. At worst, it corrupts and degrades the entire political process. Fundraisers used to be arranged so they didn't conflict with the Senate schedule; nowadays, the Senate schedule is regularly shifted to accommodate fundraisers.

This last election year, \$3.5 million was the average cost of a winning Senate campaign. You would have to raise \$11,000 a week, or much more if you are from a populous State like New York or California. When you see the Senator from New York, ask him if he has raised his \$36,000 this week. If he has not, he is going to be out of business. He has to raise it every week in order to stay in the race. That is not what Government is all about. It easily can be repaired. What I envision is exactly what we achieved in 1974, to have the limitation of so much per voter in each particular State.

Under those 1974 guidelines, Senator Thurmond and I could run on slightly more than \$600,000. I think California would be \$4 million. Maybe we can go somewhat higher. California might go up to \$7 million.

This proposed constitutional amendment would enhance freedom of speech. Incidentally, the States came to us early on, and they wanted to be added to the amendment. They are having the same problems at every level. The States would like to have the authority, constitutionally, to control spending and thereby restore an equal freedom of speech to everybody.

It can easily be done in a very fair, reasonable, bipartisan manner, as we showed in the act of 1974. Republicans overwhelmingly supported it. Democrats overwhelmingly supported it. Now we are in this standoff, perhaps even a filibuster. This simply shows how far afield we have strayed.

I yield the floor.

APPOINTMENTS BY THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the majority leader, pursuant to Public Law 103-13, announces the appointment, effective

May 24, 1993, of the following individuals to serve on the National Commission to Ensure a Strong Competitive Airline Industry:

As voting members: Charles "Chip" M. Barclay; Robert F. Daniell; and Felix Rohatyn.

As nonvoting members: The Senator from South Carolina [Mr. HOLLINGS];

The Senator from Nebraska [Mr. EXON]; and

The Senator from Washington [Mrs. MURRAY].

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

PRIVILEGE OF THE FLOOR

Mr. KERREY. Mr. President, I ask unanimous consent that a congressional fellow, Karen Davenport, be allowed to remain on the floor.

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

Mr. ROTH addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, recently, I introduced Senate Joint Resolution 96, a joint resolution proposing a constitutional amendment to limit campaign expenditures.

This is now the fourth consecutive Congress in which I have introduced my proposal.

Unfortunately, campaign costs continue to explode, and the demands those costs place on individual candidates contribute to the mounting criticism we are hearing from our constituents. In my view, it does not have to be this way. Lowering the overall costs of campaigns, reducing the need for astronomical war chests, and shortening campaigns can and should be done.

Mr. President, as you know, Congress made a good faith effort to address the campaign finance problem nearly 20 years ago, by passing the Federal Election Campaign Act of 1974. We attempted to establish limits on campaign contributions and expenditures and to require certain disclosures. These limitations, along with other regulations provided in that law, we believed, would protect against corruption and restore equity to the political process.

Some of these limitations, however, were held to be unconstitutional by the Supreme Court in Buckley versus Valeo.

While the Court upheld the contribution and disclosure provisions as permissible incursions on first amendment rights on the grounds that such provisions protected against corruption and the appearance of corruption in the political process, it struck down the expenditure limitations.

Congress' stated intention to protect against corruption or the appearance of corruption was found to be insufficient to justify such direct limitations on political expression. Likewise, the Court's analysis specifically rejected as insufficient any congressional purpose to equalize political opportunity or to curb escalating campaign costs.

While Congress remains free to limit campaign contributions, we cannot, under Buckley, limit the amount of personal money that a candidate, wealthy or otherwise, spends on his or her campaign. The Court determined that to do so would be unconstitutional, striking at the first amendment's guarantee of freedom of speech. The same logic dictated that individuals independent of a candidate also have a constitutional right to spend any amount of money to support or criticize the candidate or party of their choice.

The effect of the decision was to exacerbate the difference between the wealthy and not so wealthy that Congress wished to eliminate.

Consequently, the present system makes it relatively difficult for a candidate of average means, who has to run a campaign on statutorily limited contributions, to compete with a wealthy candidate, who need not rely on contributions at all.

But perhaps the most nettlesome component of the Court's Buckley ruling, at least to this Senator, is the connection many have made between spending limits and taxpayer financing.

I find it difficult to comprehend how Congress can seriously consider spending taxpayer money on a reform measure which, even if it were to work as promised, would not fix the problem.

It is clear that a voluntary spending-limit approach could not affect constitutional rights of wealthy candidates and independent parties to spend without limitation. Why would a wealthy candidate agree to abide by prearranged spending limits when he or she can otherwise outspend the less fortunate candidate? A constitutional amendment will allow Congress to skip the carrot of public funding, which would save money and avoid antagonizing the taxpayer, and it would work.

Proponents of public financing often argue that the cost to the taxpayer is well worth it. In making this claim proponents tend to overlook certain points: First, they tend to exaggerate the corruption in our system. They hypothesize corruption by identifying Government programs that benefit someone else. They believe that they themselves have no special interests and that whatever benefit is given to someone else in society must be the result of some unfairness.

Second, the public financing proposal, as stated before, cannot solve the problem of the wealthy candidate

spending his own resources and the problem of independent expenditures.

Third, the general public dislikes having taxpayer funds flowing to candidates to whom they would otherwise never contribute. I suspect many find it hard enough to give to candidates they favor, let alone to those they dislike.

Fourth, the general public does not believe that incumbents deserve another perk, the equivalent of food stamps for politicians. They believe the costs of running for Congress are too high and should not be further increased.

Fifth, whatever the current cost estimates there are today, they are too low.

I have never seen a Government program whose initial cost estimates weren't too low. Here, the object of proponents is to establish a public financing beachhead and then, having established that, advance over time to full public financing. Many of the proponents do not espouse public financing to achieve an end, such as expenditure limits, but as an end in itself, to eliminate all private contributions from the system. Once established, public financing is sure to grow.

In contrast, a constitutional amendment would accomplish everything that the public financing proposal could and more, but without, of course, cost to the taxpayer.

Since the ratification of the Constitution and the Bill of Rights, we have regularly had to adopt constitutional amendments to overturn Supreme Court decisions thought to be bad public policy. Indeed, 8 of the 17 amendments ratified since the Bill of Rights were in response to Supreme Court decisions thought to be bad policy.

Of course, not every issue is of such importance to merit a constitutional amendment. But campaign financing, I submit, easily meets that threshold. It is not ephemeral. It is a matter of electoral integrity. And while Congress has a continuing responsibility to protect free speech, it must also remain faithful to its obligation to protect the integrity of the electoral system.

Mr. President, while there are some technical differences between the Hollings proposal and my proposal, we are in fundamental agreement that the impediments of Buckley versus Valeo must be set aside.

It is my hope that those interested in campaign finance reform will overcome the ill-founded notion that one must choose between constitutional and statutory reform proposals.

I find some irony in the fact that we in Congress debate campaign reform without end, yet proponents of reform oppose constitutional amendments because they take too long to put in place. It has been 6 years since I first introduced this proposal. That first

proposal could easily have been ratified by now. If proponents of reform would also become proponents of a constitutional amendment, this sea change would allow Congress to act expeditiously.

In the final analysis, if we do not adopt a constitutional amendment, we will be left to suffer the problem with statutory solutions that are not fully satisfactory. We will be left to try to get candidates to waive their rights to unlimited spending in return for public funding. Mr. President, I believe that the only true reform can be found in a constitutional amendment, and I urge my colleagues to support the Hollings amendment to S. 3.

I yield the floor.

The PRESIDING OFFICER (Mrs. MURRAY). The Chair recognizes the Senator from Nebraska.

Mr. KERREY. Madam President, I thank the Chair.

I ask unanimous consent to speak for 20 minutes as if in morning business.

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

HEALTH CARE TRUST FUND

Mr. KERREY. Madam President, the subject that I am speaking on today is a health care trust fund proposal that I have been discussing with a number of my colleagues, particularly members of the Finance Committee, as well as the Budget Committee.

It is an idea of importance as we prepare to debate the reconciliation bill that is likely to be before us after we return from the Memorial Day recess. It is a proposal that does deal with health care, but deals with health care honestly—what we are currently spending—and provides an opportunity for significant deficit reduction inside the reconciliation effort in a fashion I find more acceptable, frankly, than the entitlement costs. I would like to talk about it today.

One of the things I notice about the health care debate is we all pretty much figured out what it takes to get the audience to give us a round of applause. Applause lines are 10 or 12 seconds long. We give a preliminary one-sentence statement and rise with the second statement. The audience gets to its feet and you get a round of applause. If we do that 10 or 15 times, the audience figures we are with them. We do not necessarily have to say anything or, indeed, have to give them any information about where we stand; nor do we have to give them any information about what we are currently doing. We merely have to give them a sense that we are as outraged as they about some particular aspect of our health care system, which is relatively easy to do. We can find all sorts of things wrong with the existing system and point those out. The audience gets excited along with us, and they hopefully will give us their votes.

What I have come here today to describe as a preliminary to this health care trust fund idea is where we currently are, just some facts about our current health care system and some truth about our current health care system that I think is important.

It is difficult sometimes. I must say, I am reminded as I look at these numbers of the cynic—in fact, the misanthrope—Ambrose Bierce, who once said, "Love is a temporary illness curable by marriage."

Health care rhetoric is a temporary illness curable by the truth, very often. The truth is that currently, in this fiscal year, the fiscal year ending September 30, we will collect and spend approximately \$284 billion for health care. Lots of people come up and say they do not want a big Government institution for health care. We hear lots of so-called free marketers, in particular, come and say that. They have a difficult time when presented with the fact we are spending \$284 billion today in programs like Medicare, Medicaid, the VA, defense health programs, all the Public Health Service expenditures, the National Institutes of Health, and the Federal employee health benefit program.

It is over 30 percent of our national health expenditures. Of all health expenditures in the Nation today, the Federal Government is picking up 30 percent of the tab. You can open a non-profit hospital anywhere in America and the Government will subsidize 30 percent of the revenue. The Federal Government will provide 30 percent of the revenue.

When the opportunity comes and we are out in the marketplace, and they say that they want to continue doing what we are doing, make sure to point out this: 40 percent of the income comes from the Federal Government, and another 40 percent, as I will show later, comes from subsidies that occur as a consequence of being able to get a tax deduction for purchasing health insurance in the first place. State and local spending increases the public funding total to over 40 percent. As can be seen here, \$223 billion is in Federal spending. The State and local spending is \$100 billion, leaving \$234 billion of private insurance and about \$146 billion left for out-of-pocket.

Clearly, public spending on health care right now is extremely large. The largest piece of all health care spending is public spending. It is large, and it is growing very rapidly.

I must say, one of the most alarming numbers inside our budget is that we are currently spending in this fiscal year \$250 billion for Medicare and Medicaid. That number will be \$400 billion in approximately 4½ or 5 years. It is clearly an unsustainable growth in expenditures, and something needs to occur about it. But regrettably, we have no discipline in our system. This

health care trust fund I am proposing creates that kind of discipline.

I would like, from here, to talk a little bit about how the money itself is distributed and to talk about where the Federal Government gets its money. We have \$300 billion in spending. But where do we get that \$100 billion? Are we asking the American people to pay for it? Are we saying, "Folks, I am giving you \$100 billion worth of health care; make sure I collect \$300 billion to pay for it?"

One of the things that I very often find people discovering is they are surprised to learn where we get the money for that \$300 billion.

Thirty-two percent of our funding for health care comes from payroll taxes. That is where we collect the money. A lot of people are surprised to know that that amount of money is being collected from people who are in the work force right now. There are approximately 94 million workers out there, paying 3 percent of the payroll: 1.45 percent, employee; 1.45 percent, employer. Three percent of the payroll. That is about 2 percent—general revenues are about 50 percent—for those who mail a check into the Federal Government on the 15th of April.

One thing I regret, being in Senate. I miss my friends with whom I used to gather on the 15th of April. We were last-minute filers, and at 11:30 at night, we would show up at the post office and send the check in to Washington.

The folks sending the check in to Washington need to understand that a big piece—my guess is about 40 percent—of the current Federal income taxes are being used to fund health care. That is all good, insofar as it goes.

The bad news, I have to say to the folks in America receiving health care benefits—and everybody does—from the Federal Government, 13 percent of that is borrowed money. I am talking about T-bills and bonds, as the distinguished Senator from South Carolina knows, who spoke earlier about the deficit and has previously. We are borrowing 13 percent.

To everybody out there in America who says, "I do not want a big bailout of health care," and, "Gee, I do not want to do anything irresponsible," understand, we are paying for 13 percent of our health care bills with T-bills and bonds.

Maybe you can make a case to do that if you are building a road; maybe if you are building a sewer system or a water system; if you are doing something that your kids are going to have an opportunity to use. But I have difficulty making the case that my 18-year-old and 16-year-old should pay interest on bonds that I sell this year to pay doctor and hospital bills.

It is difficult for me to make that case. Perhaps other colleagues can. Perhaps American taxpayers can make

that case. I have a difficult time doing that.

I say all this because often one of the things you hear is people get up to say, "We want the marketplace to take care of health care." I tell you, we have a lot of undoing to do if that is what you want; if you want the market forces to run health care, eliminate the tax deduction, and end the Federal Government subsidies.

I think all this conversation about market forces is all well and good, as far as it goes. But we do not have much of a market in health care anymore.

I would like to show specifically what is happening over the last 30 or 40 years with our health care system.

Madam President, I was 7 years old in 1950. I do not remember this particular situation, but in 1950, 65 percent of all health care expenditures were paid out of pocket—out of pocket, Madam President. That number has steadily gone down to approximately 20 percent in 1992.

On the other hand, Madam President, the third-party payers—that is insurance companies and Government payments—have gone from about 30 percent to over 70 percent. We have gone from a point where indeed we had a market in operation; we have gone from a point where we intervened in that marketplace with tax deductions, direct tax subsidies, and, as a consequence, over the last 4 years we now have third parties paying over 70 percent of the bills.

It leaves us, Madam President, with a rather remarkable situation. Most of us do not really know what the costs are.

In fact, I would ask my colleagues—sort of a little test here. I discovered this because one of my legislative assistants who does have health care is on maternity leave right now. So I asked her what the baby cost. She was in the hospital for 2 days here in the Washington, DC, area. It cost her \$7,000 for 2 days of hospitalization, about \$3,000 for the doctor, and she has not even received the bill yet for the anesthesiologist.

We all have different experiences with our health care systems, but most of us have been born in a hospital—some have not—and all of us have had some experience, I believe, with delivering a baby. Most of us are at an age where we probably are not aware of what occurred in just that one cost.

I will say to you, one thing I discovered is I could not actually get a price, except from my staff person, who was able to tell me. It is difficult to call a hospital and say, "What do you charge for a baby, normal delivery?"

"Well, we have privacy problems; we really cannot provide you with that information," you might be told. All I was able to get was a median average. The median increase for the cost of delivering a baby from 1958, when it cost

you a bag of cash of about \$829—that is just for the doctor—has gone to \$1,700 in 1991.

I point this out, Madam President, because I believe we have seen that kind of escalation across the board and we have seen that kind of escalation going on outside of our view. We just are not a part of it. We are not sensitive to what those costs are until it hits us as an uninsured person or it hits us as a young couple trying to figure out whether or not they can, in fact, afford to even have a baby.

We have seen technological changes. We have seen changes in practices. All of us have seen it. We have seen, I think, substantial improvement in the quality of our care.

Madam President, one of the truths is, again, we have to say to the American people that one of the reasons our costs have gone up is we have been protected from it.

All the politicians—and I have done a little of it myself—come and say, "Gee, the problem is our hospitals are ripping you off, the problem is doctors are ripping you off, insurance companies are ripping you off." The truth of the matter is, we have a lot of waste, fraud, and abuse in our system.

One of the biggest reasons we see costs going up is it does not matter. I would not want to take a test right now, or have 535 Members of Congress take a test and ask: What is your deductible and copayment? What does the Federal Employee Health Benefit Program provide you as an individual?

I suspect you would be lucky to get 20 percent of the 535 people up here on the Hill that would be able to tell you. I certainly would not be in that 20 percent. Because the fact of the matter is, it does not matter. Somebody else is picking up the tab. Why should I worry about it?

We need a mechanism that brings us face to face with the truth. And this unitarian Federal trust fund that I am going to try to get a part of the reconciliation does that. It says that, first of all, we will account for every single expenditure in a single fund. That is No. 1.

No. 2, we will declare as citizens of this great Nation—it is still a high honor to be a citizen of this country—we will say we have a responsibility to pay the bills. A fairly simple thing, it seems to me. We are going to say, if we ask our politicians for 284 or 300 billion dollars' worth of spending, we will pay the bills and we will designate whatever taxes we decide to use to make sure that, in fact, the money is contributed for the bills.

That designation in the tax revenue forces us, No. 3, to have the kind of discipline that is needed. Frankly, what we find is that the projected growth of health care expenditures are going up so rapidly that right now we are relieved of the requirement to make difficult decisions.

I have, in my own proposal, said, OK, let us take the 3-percent payroll tax, the Federal health insurance premium we are currently paying, let us get the alcohol taxes, the cigarette taxes, designate 27 percent of the income taxes, corporate taxes—none of these are new taxes; that is the current taxes in the current system.

You designate those taxes and you match them up against where we are spending.

Well, this chart here shows where all Federal spending on health care is projected to go. In 1993, 1994, 1995, 1996, 1997, 1998, not very far into the future, we are going from about \$280 billion to nearly \$500 billion in a 5-year period of time, with no restraint, no requirement for fiscal discipline. The trust fund provides us with that constraint.

This is the shortfall. This is where the deficit reduction begins to occur, because we are required to fully fund. Unless we have a trust fund, this is the kind of gap that we have between the revenue that would be generated if we designated existing taxes. That is the kind of gap that is going to occur, because health care is growing more rapidly than our income. Everybody knows that.

One of the things that happened in the 1980's, as health care costs went up, disposable income has gotten squeezed. In fact, jobs have been destroyed; not just salaries have gone down, but jobs have been destroyed as well.

There are three things that occur with this kind of trust fund. First, as I said, we present an honest bill to the American people. Second, we get into an honest debate about which taxes we ought to use.

I am an advocate, myself, of using a progressive consumption tax to replace the income tax as a powerful second part of a new American safety net. I think Americans need to know health care is there.

I believe we need a second piece, which is a powerful incentive for individuals to save. But at an interim stage, at the very least, we could bring on what the Senator from South Carolina is talking about this year, a value-added tax, not just to pay for any spending but to get the tax down on payroll. It is too high right now.

People who get paid by the hour today, if you are an American out there watching this—you are probably not watching this, because you are working—but if you are in the work force today getting paid by the hour, you are holding about \$70 million of excess deficit reduction because we are overtaxing you on Social Security.

You could do it with a value-added tax, lower the income tax, lower the corporate tax. You could take action that would unquestionably stimulate the American economy, not as new spending, but as a way to reduce existing taxes. I think the value-added or

progressive consumption tax, those kinds of ideas are powerful economic ideas and are urgently needed.

Regrettably, the American people—and I think correctly so—have assumed if you bring a new tax into the existing system, the money is going to get spent on all sorts of things, because Congress, by definition, is undisciplined.

The Federal Health Care Trust Fund provides that discipline. It contributes to deficit reduction. It gives the American people an honest assessment of how their money is being spent for health care and requires us to be responsible as adults, as citizens in this country. If you want a benefit, if you want an expenditure, pay for it.

Madam President, I hope in the reconciliation debate we are able to accept this proposal. I think it will contribute to deficit reduction. I think it will enable us to have the kind of debate that I think is going to be necessary to enact comprehensive health care reform.

This is not a substitute for reform. It is a necessary, in my judgment, precursor. Otherwise, what we will hear is everything but the truth when it comes to health care in the United States of America.

Madam President, I thank my distinguished colleague for allowing me to speak in morning business.

I yield the floor.

Mr. CRAIG addressed the Chair.

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

Mr. CRAIG. Madam President, I ask unanimous consent to proceed as if in morning business.

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

THE BTU TAX

Mr. CRAIG. Madam President, I think all of us here in the Congress, and certainly the American people, have attempted to focus in the last several days on a phenomenally fast and elusive target, and that is the Btu tax as proposed by President Clinton and as articulated by him over the last several months as the pillar of his economic package.

I say that because when it was first proposed, economists around the country said "What? What are you doing, Madam President, for the first time in this Nation's history, attempting to apply a tax in this way on the energy sources of our country that have throughout our time been the great source of our wealth, not only in the abundance of inexpensive energy, but in its ability to create industries that employ people that make us competitive around the world?"

He gave all kinds of excuses—that this was the only way out of a deficit, even though he had proposed major

new spending increases, and that, really, this was the kind of revenue raiser that would be necessary if we were going to resolve all of these great problems.

That was some months ago. And, of course, all of us began to look at it and tried to analyze it, as it related to true deficit reduction; but, more important, what kind of impact would it have on the economy? How many people would it put out of work? Because any time you drive up the cost of doing business you drive down the competitiveness of business and, ultimately, you cause those businesses to have to lay off people.

I come from a Western State. It is a lot of miles between Twin Falls, ID and Boise, ID. Yet the commerce, to flow back and forth, flows on rubber tires. Those rubber tires are driven by hydrocarbons—gas; and that gas costs a lot of money. Now this President has proposed it ought to cost more money for the sake of the country.

So we began to analyze, not only to Idaho, but to the Nation, the kind of impact this type of taxation would have on our State. Of course we came up with some fascinating figures. A State of 1,030,000 people would be paying as much as a half billion dollars more in income—or Btu tax to the Federal government, on an annual basis. That is a phenomenal hit.

Some small farmers who are highly specialized and intensified in their businesses, because this tax was spread across fertilizers and fuels and other energy-intensive kinds of products, would be paying anywhere from \$10,000 to \$15,000 more a year in the costs of production on their particular farm.

Energy-intensive businesses like the aluminum industry, in which a lot of people in the north end of my State are employed, all of a sudden would probably find themselves out of work and that industry would be seeking a new home in British Columbia, in Canada, where there were inexpensive hydroenergy sources.

As all those figures began to hit the scene, and as the American people finally recognized they were going to be hit several hundred dollars a year per household, and that middle-income America somehow became lost in the shuffle, and the campaign promises that our President had made had somehow disappeared, we all know what began to happen to that tax. It became a burden too heavy to bear.

Yet, of course we know in the budget resolution passed by this Congress and by this Senate it was a burden that was locked in because it was a major revenue source for this President's economic program. Was it going to cost 7 to 10 cents a gallon for gasoline and 8 or 9 cents for diesel? Annual costs per family? The President said in February, \$204; and then Hazel O'Leary said in March, \$322; and Treasury said

today about \$400; the Carter Energy Secretary, James Schlesinger, said maybe \$470 per family. All of these kinds of speculations went on.

McGraw-Hill calculates 400,000 jobs lost; the National Association of Manufacturers, 610,000 jobs lost; American Petroleum Institute, 700,000 jobs lost. All of a sudden this President was in trouble with his economic package because the mainstay, the plank, that which locked it together, all of a sudden did not work or could not work or would not work. Senators on this floor began to stand up and say: Wait a minute, we have better ideas if we are going to have to raise revenue, because this kind of approach simply will put well-too-many people out of work.

This President was elected on a platform of coming to this Nation's Capitol, and putting America back to work with all kinds of inventive, creative new ideas. This one was not too inventive. It was not too creative. And, most assuredly, it was going to put a lot of people out in the cold.

I understand in the House yesterday, and into the wee hours of this morning, people tried to figure a way out of this one. They began to work on it, in the sense they began to cut it back. All of a sudden that aluminum industry that I talked about that is a part of my State's employment base and a part of the Chair's employment base—all of a sudden: Exempt. You do not have to worry about it anymore. We are going to take you out of the picture. All of a sudden certain portions of agriculture: Exempt, taken out of the picture. I understand now, as of last night, certain chemical industries that are exporters, they get a rebate if they export and have to employ this tax.

In other words, this kind of phony economics is in trouble, and it appears that the House is trying to create a whole new image around a very bad idea so, of course, they can get this President's economic package passed.

I am not at all confident you can take a bad idea and turn it into a good idea by a little window dressing; a little flurry around the edges, a little adjustment here, a little kind of political maneuvering to make sure the employees of the Speaker of the House are, all of a sudden, taken care of; that certain dominant areas of our economy are already taken care of. What they have not taken care of is middle-income America, about 74 percent of the American people who are going to be hit right in their pocketbooks by this kind of a tax, because at the very beginning it was a bad idea.

I am not going to argue about deficits. My voting record shows I do not vote for massive new spending programs and I vote to reduce spending anywhere and everywhere I can, because I do believe in limited government and I do not believe that the Government's magic wand creates jobs and

builds up economies, as this President and others do. So I would vote against a Btu tax. And I plan to do just that if that kind of program gets to the floor of this Congress, because, no matter how you try to make a bad idea good, in the State of Idaho it damages our economy tremendously as it will in all other working States across this Nation.

I do not want to have to say to certain people in certain households, "Because we are going to make it more costly for you to operate, we are going to give you more food stamps." What a humiliation. Or, "We are going to provide other kinds of spending programs in this Government to cover up for a bad idea, as it came along." That is what is going on in the House today.

I hope Republicans and Democrats alike, in a bipartisan way, recognize, as many of them already have, that no matter how much you try to change, no matter how much you burn the midnight oil, bad ideas do not become good ideas overnight. They were bad going in, and they will be bad coming out. I wish this President would simply go back to the drawing board, recognize there are other ways to get at revenue.

But, before he talks revenue, I think the American people are beginning to show him a little by the way they are demonstrating their disfavor in the polls: Madam President, revenues are not the issue. Spending is the issue. Get off the Btu tax kick, get on with the business of reducing the growth of Government, and all of a sudden I think you will find your popularity in the polls takes a dramatic turn for the good.

I yield the remainder of my time.

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

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. MCCONNELL. Madam President, I rise in opposition to the Hollings-Specter sense-of-the-Senate resolution that the Congress should pass a constitutional amendment to revise the first amendment part of our Bill of Rights for the first time in 200 years. I understand the frustration of my good friend from South Carolina. He philosophically supports spending limits. He has said very eloquently, and correctly, that the underlying bill before us is clearly unconstitutional. The bill could be made constitutional. The bill before us could be made constitutional by making it truly voluntary and by providing adequate public funding so that candidates would elect to limit their speech in return for a public subsidy.

But the Senator from South Carolina is absolutely on the mark and correct

that the bill we are considering does not have a chance in the courts.

But the issue before us that is presented by the Senator from South Carolina is the question of whether we should, for the first time in the 200-year history of our country, amend the first amendment. I would say, Madam President, there is not much of a constituency for that. Even the advocates of the underlying bill, such as the Washington Post, oppose a first amendment amendment, if you will, which is what this sense-of-the-Senate calls upon us to enact.

The Washington Post, in an editorial of April 6, 1988, in connection with an earlier effort by Senator HOLLINGS to amend the Constitution, came out in opposition saying, in effect, it is a bad idea after 200 years to be messing around with the first amendment.

I ask unanimous consent that the Washington Post editorial, in opposition to amending the first amendment, be printed in the RECORD.

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

[From the Washington Post, Apr. 6, 1993]

CAMPAIGN SPINACH

Sen. Ernest Hollings was not an admirer of S. 2, the sturdy bill his fellow Democrats tried to pass to limit congressional campaign spending by setting up a system of partial public finance. He agreed to vote for cloture, to break a Republican filibuster only after Majority Leader Robert Byrd agreed to bring up a Hollings constitutional amendment if cloture failed. Mr. Byrd, having lost on S. 2, is now about to do that.

Right now Congress can't just limit spending and be done with it; the Supreme Court says such legislation would violate the First Amendment. Limits can only be imposed indirectly—for example, as a condition for receipt of public campaign funds. The Hollings amendment would cut through this thick spinach by authorizing Congress to impose limits straightaway. The limits are enticing, but the constitutional amendment is a bad idea. It would be an exception to the free speech clause, and once that clause is breached for one purpose, who is to say how many others may follow? As the American Civil Liberties Union observed in opposing the measure, about the last thing the country needs is "a second First Amendment."

The free speech issues arises in almost any effort to regulate campaigns, the fundamental area of free expression on which all others depend. There has long been the feeling in and out of Congress—which we emphatically share—that congressional campaign spending is out of hand. Congress tried in one of the Watergate reforms to limit both the giving and the spending of campaign funds. The Supreme Court in its *Buckley v. Valeo* decision in 1976 drew a rather strained distinction between these two sides of the campaign ledger. In a decision that let it keep a foot in both camps—civil liberties and reform—it said Congress could limit giving but not spending (except in the context of a system of public finance). In the first case the court found that "the governmental interest in preventing corruption and the appearance of corruption" outweighed the free speech considerations, while in the second case it did not.

Mr. Hollings would simplify the matter, but at considerable cost. His amendment said, in a recent formulation: "The Congress may enact laws regulating the amounts of contributions and expenditures intended to affect elections to federal offices." But that's much too vague, and so are rival amendments that have been proposed. Ask yourself what expenditures of a certain kind in an election year are *not* "intended to affect" the outcome? At a certain point in the process, just about any public utterance is.

Nor would the Hollings amendment be a political solution to the problem. Congress would still have to vote the limits, and that is what the Senate balked at this time around.

As *Buckley v. Valeo* demonstrates, that is a messy area of law. The competing values are important; they require a balancing act. The Hollings amendment, in trying instead to brush the problem aside, is less a solution than a dangerous show. The Senate should vote it down.

Mr. MCCONNELL. Madam President, in addition to that, interestingly enough, the principal outside group lobbying for the underlying bill, Common Cause, opposes amending the Constitution. Common Cause, in a letter of March 23, 1988, sent to all the Members of the Senate at that time, pointed out that it was a bad idea to amend the Constitution to bring about a result presumably that Common Cause would very much like to see.

I ask unanimous consent that the Common Cause letter, opposing a constitutional amendment, be printed in the RECORD.

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

COMMON CAUSE,

Washington, DC, March 23, 1988.

DEAR SENATOR: The Senate is expected to consider shortly S.J. Res. 21, a proposed amendment to the Constitution to give Congress the power to enact mandatory limits on expenditures in campaigns. Common Cause urges you not to support S.J. Res. 21.

The fundamental problems caused by the massive growth in spending for congressional elections and by special interest PAC giving demand effective and expeditious solution. The Senate recently came within a handful of votes of achieving this goal. For the first time since the Watergate period, a majority of Senators went on record in support of comprehensive campaign finance reform legislation, including a system of spending limits for Senate races. It took an obstructionist filibuster by a minority of Senators to block the bill from going forward.

The Senate now stands within striking distance of enacting comprehensive legislation to deal with the urgent problems that confront the congressional campaign finance system. The Senate should not walk away from or delay this effort. But that is what will happen if the Senate chooses to pursue a constitutional amendment, an inherently lengthy and time-consuming process.

S.J. Res. 21, the proposed constitutional amendment, would not establish expenditure limits in campaigns; it would only empower the Congress to do so. Thus even if two-thirds of the Senate and the House should pass S.J. Res. 21 and three-quarters of the states were to ratify the amendment, it would then still be necessary for the Senate and the House to pass legislation to establish spending limits in congressional campaigns.

Yet it is this very issue of whether there should be spending limits in congressional campaigns that has been at the heart of the recent legislative battle in the Senate. Opponents of S. 2, the Senatorial Election Campaign Act, made very clear that their principal objection was the establishment of any spending limits in campaigns.

So even assuming a constitutional amendment were to be ratified, after years of delay the Senate would find itself right back where it is today—in a battle over whether there should be spending limits in congressional campaigns. In the interim, it is almost certain that nothing would have been done to deal with the scandalous congressional campaign finance system.

There are other serious questions that need to be considered and addressed by anyone who is presently considering supporting S.J. Res. 21.

For example, what are the implications if S.J. Res. 21 takes away from the federal courts any ability to determine that particular expenditure limits enacted by Congress discriminate against or otherwise violate the constitutional rights of challengers?

What are the implications, if any, of narrowing by constitutional amendment the First Amendment rights of individuals as interpreted by the Supreme Court?

We believe that campaign finance reform legislation must continue to be a top priority for the Senate as it has been in the 100th Congress. If legislation is not passed this year, it should be scheduled for early action in the Senate and the House in 1989.

In conclusion, Common Cause strongly urges the Senate to face up to its institutional responsibilities to reform the disgraceful congressional campaign finance system. The Senate should enact comprehensive legislation to establish a system of campaign spending limits and aggregate PAC limits, instead of pursuing a constitutional amendment that will delay solving this fundamental problem for years and then still leave Congress faced with the need to pass legislation to limit campaign spending.

Sincerely,

FRED WERTHEIMER,
President.

Mr. MCCONNELL. Also, Madam President, the American Civil Liberties Union, in a letter of June 4, 1992, also states its opposition to amending the Constitution for the first time in 200 years, no matter what the goal of that amendment.

I would like to read pertinent parts of the ACLU letter. It says:

First, as many Members of the Senate recognized during the debate about the flag-burning amendment proposed a few years ago, it is wrong—

I repeat from the ACLU letter:

it is wrong for the Senate to consider changing the first amendment—

Further in the letter, I think it is worthy of note, Madam President, the ACLU points out:

As an amendment subsequent to the first amendment, the existing understandings about the protections of freedoms of the press would also be changed, thereby empowering Congress to regulate what newspapers and broadcasters can do on behalf of the candidates they endorse or oppose. A candidate-centered editorial, as well as op-ed articles or commentary, are certainly expenditures in support of or in opposition to political

candidates. The amendment, as its words make apparent, would authorize Congress to set reasonable limits on the involvement of the media in campaigns when not strictly reporting the news.

One of the concerns raised by the American Civil Liberties Union in opposition to amending the first amendment for the first time in 200 years.

I ask unanimous consent that the text of that letter be printed in the RECORD.

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

AMERICAN CIVIL LIBERTIES UNION,

Washington, DC, June 4, 1992.

DEAR SENATOR: The American Civil Liberties strongly opposes S.J. Res. 35, the proposed constitutional amendment to limit federal campaign expenditures. The proposal would amend the free-speech guarantee of the First Amendment, as interpreted by the Supreme Court, thereby limiting the amount of political speech that may be engaged in by any candidate or by anyone else seeking to be involved in the political process. It is a highly flawed proposal, one that is constitutionally incapable of being fixed, and raises a number of significant issues. It deserves to be rejected by the Senate.

First, as many members of the Senate recognized during the debate about the flag-burning amendment proposed a few years ago, it is wrong for the Senate to consider changing the First Amendment, a provision that is a justifiable source of pride for the United States and much admired throughout the world. If Congress could carve out exceptions to the reach of free speech through constitutional amendment, particularly in the important area of political speech, then none of our liberties and freedoms are safe and proposals to give Congress authority over other forms of speech will abound. Moreover, since the Constitution does not grant freedom of speech to the people, but is a reflection of its Framers' natural-rights philosophy—one that recognizes that these rights inhere in the people and are inalienable—it is unlikely that Congress, even by way of constitutional amendment, has the authority to interfere with or restrict those rights. In other words, S.J. Res. 35 may well be an unconstitutional constitutional proposal.

Second, if the proposed amendment were implemented, it would operate to distort the political process in numerous ways. If implemented evenhandedly, it would operate to the benefit of incumbents who generally have a higher name recognition and thus an ability to do more with lesser funding. And it would operate to the detriment of dark-horse and third-party candidates who start out with fewer contributors and whose only hope of obtaining the visibility necessary to run a serious campaign may come from the backing of a few large contributors or from their own funds. Thus, rather than assure fair and free elections, the proposal would likely operate to the benefit of those in power and to the disadvantage of those challenging the political status quo.

Additionally, the wording of the proposed amendment would actually permit Congress to set a different limit on incumbents versus challengers, wealthy candidates versus those without vast personal funds to mount a campaign, or candidates from underrepresented groups versus those who are well represented, as long as these were justified on a rational basis. The First Amendment prop-

erly prevents the government from making these kinds of distinctions, but S.J. Res. 35 would enable Congress to set these limitations notwithstanding currently existing constitutional understandings. The sum of the dangers to the First Amendment are most apparent when S.J. Res. 35 is viewed from that perspective.

Finally, as an amendment subsequent to the First Amendment, the existing understanding about the protections of freedom of the press would also be changed, thereby empowering Congress to regulate what newspapers and broadcasters can do on behalf of the candidates they endorse or oppose. A candidate-centered editorial, as well as op-ed articles or commentary, are certainly expenditures in support of or in opposition to political candidates. The amendment, as its words make apparent, would authorize Congress to set reasonable limits on the involvement of the media in campaigns when not strictly reporting the news. Such a result would be intolerable in a society that cherishes a free press.

Last year, we celebrated the 200th anniversary of the Bill of Rights with speeches, articles, and lessons about the importance of our cherished liberties. This year should not mark the end of that bicentennial legacy by an ill-conceived effort to cut back on freedom of speech and the press. Please reject S.J. Res. 35.

Sincerely,

ROBERT S. PECK,
Legislative Counsel.

Mr. MCCONNELL. Madam President, what I would like to focus the attention of the Senate on is this whole issue of whether or not, for the first time in the history of our country, we ought to amend the first amendment.

We had this issue before us in 1990. And the Senators, still in the Senate, who opposed amending the first amendment were: Senators CHAFEE, DANFORTH, DURENBERGER, JEFFORDS, PACKWOOD, AKAKA, BIDEN, BINGAMAN, BOREN, BRADLEY, BUMPERS, DASCHLE, DODD, GLENN, HARKIN, INOUE, KENNEDY, KERREY, KERRY, KOHL, LAUTENBERG, LEAHY, LEVIN, LIEBERMAN, METZENBAUM, MIKULSKI, MITCHELL, MOYNIHAN, PELL, PRYOR, RIEGLE, ROBB, SARBANES, SASSER, and SIMON.

The issue before us at that time, Madam President, was whether or not we ought to amend the first amendment to prevent the act of desecrating the flag. It was a very tough vote to cast for those Senators who felt that even when that act, which virtually everybody we all know, including ourselves, found offensive, could have been restricted, those Senators obviously felt that when weighed against the interests of leaving the first amendment intact and untouched clearly that was not the way to go.

Reasonable people can differ, obviously, about the form campaign finance reform should take. I do not know any Senators here who do not think the present system could be improved, but the issue before us with the sense-of-the-Senate resolution of the Senator from South Carolina is whether we ought to amend the Bill of Rights for the first time in 200 years.

Many Senators have spoken eloquently about that issue. In looking back at previous debate, I look with great interest at the observations of the majority leader, Senator MITCHELL, when we were last considering the possibility of amending the Bill of Rights.

Senator MITCHELL said on June 26, 1990—and this was in connection with the flag-burning issue and a court decision much like the Buckley case that many people did not like. Senator MITCHELL said:

So even though I disagree with the Court's ruling—

Referring to the flag burning decision—

I accept it. The question now before us is whether we should override the Supreme Court's decision by amending the Constitution.

The majority leader said at that point:

I do not support changing the Constitution. We can support the American flag without changing the American Constitution.

The first 10 amendments to the Constitution have come to be known as the Bill of Rights. They were adopted as part of the Constitution because the States insisted that before a new and powerful Federal Government could be created, there had to be clear and controlling limits on the power of that Federal Government against individual citizens.

The Bill of Rights secures the liberty of the individual by limiting the power of Government.

Across the whole sweep of human history, there is no better, clearer, more concise, more eloquent or effective statement of the right of citizens to be free of the dictates of Government than the American Bill of Rights.

For 200 years it has protected the liberties of generations of Americans. During that time, the Bill of Rights has never been changed or amended. Not once. Ever. It stands today, word for word, exactly as it did when it was adopted two centuries ago.

Of the 10 amendments which make up the Bill of Rights, none is more important than the first. In this debate, its relevant words are: "Congress shall make no law abridging the freedom of speech."

The English language could not be more clear—

Said the majority leader. Let me repeat those few words—

Congress shall make no law abridging the freedom of speech.

Senator MITCHELL went on:

Never in 200 years has the first amendment been changed or amended. As a result, never in 200 years has Congress been able to make a law abridging the freedom of speech.

Now we are asked to change that, for the first time. We are asked to give Congress and the States the power to do that which, for 200 years, the Bill of Rights has prevented them from doing.

We are asked to permit Congress, or any State, to make a law that would abridge the freedom of speech, as defined by the Supreme Court.

Even though, as I have already said, I disagree with the Court—

Senator MITCHELL referring to the flag-burning decision, others referring

to the Buckley decision, a decision with which they disagree—

I do not believe we should amend the Bill of Rights.

And here is the critical comment from the majority leader:

I do not believe that we should ever, under any circumstances, for any reason, amend the American Bill of Rights.

Senator MITCHELL on June 26, 1990.

He went on:

The Bill of Rights is so effective in protecting individual liberty precisely because of its unchanging nature. Once that is unraveled, its effectiveness will be forever diminished.

If the Constitution is amended to prohibit the burning of a flag, where do we stop?

The supporters of this amendment argue that their goal is so important that it warrants overriding the Court's decision. But the supporters should consider this question before they vote.

*** The point is that once the Bill of Rights is changed or amended, no line can be drawn. That is why it should not be changed or amended.

We Americans revere the flag. We also revere the Constitution and the Bill of Rights. We need not choose between them.

And Senator MITCHELL proceeded to point out that there are other ways of getting at that.

The principal point is that Senator MITCHELL said the first amendment should not be amended, not now, not ever.

Senator DASCHLE also spoke very eloquently on that issue on June 25, 1990.

Senator DASCHLE said:

I intend to vote against this particular amendment and all other constitutional amendments that would amend what I consider to be the most important clause in the document which makes the United States of America what it is—the free speech clause of the Bill of Rights.

He proceeded the next day to say:

I will vote against any amendment, any amendment of any kind, that would burn the most important clause of the document that makes the United States of America what she is, the free speech clause of the Bill of Rights.

If we tamper with the Bill of Rights on the 200th anniversary of the Constitution we are diminishing every flag in America.

Senator LEAHY on June 25, 1990:

We have gone through 200 years without amending the Bill of Rights. We have gone through two World Wars, a Civil War, several major depressions, the expansion of the West, the addition of States. We have had Presidents who have acceded to office either in the normal electoral fashion, some tragically through death or assassination and one by resignation. And through all of that, with all of these strains on our great Nation, not once did we ever think it was necessary to amend the Bill of Rights.

That was Senator LEAHY on June 25, 1990.

Senator BUMPERS, June 25, 1989:

When Vaclav Havel spoke to a joint session of Congress recently, I have never seen a foreign dignitary received with as much enthusiasm as was he. And what did he say?

"We want something like your Declaration of Independence and your Preamble to the Constitution and your Bill of Rights."

Senator BUMPERS on October 18, 1989:

The Constitution is also the one piece of irrefutable political evidence that says every person counts, that all are equal in the eyes of the law. I hold it second only to the Holy Bible as the most sacred possession in the hands of mankind. For these reasons, any amendments to the Constitution must be examined with the greatest degree of scrutiny. It is worth repeating now—

Senator BUMPERS said—

that we have only amended the Constitution 16 times since the ratification of the Bill of Rights in 1791—198 years since the first 10 amendments were adopted as the Bill of Rights. In that entire period of time, we have never seen fit to change one "t" or one "i" of those 10 amendments.

Senator KOHL on June 25, 1990:

Today we are considering something far more drastic than a simple statute: We are contemplating carving a slice out of the first amendment. Everyone knows that flag burners are infantile and misguided. Yet altering the Constitution to prohibit flag burning would be just as bad.

Senator KOHL said:

Adopting an asterisk to the Bill of Rights would be unprecedented, unwise, unnecessary, and unfortunate.

Senator GLENN on June 25, 1990:

That commitment to freedom is encapsulated and encoded in our Bill of Rights: Our Bill of Rights, perhaps the most envied and imitated document anywhere in this world. The Bill of Rights is what makes our country unique. It is what made us a shining beacon of hope, liberty, of inspiration to oppressed peoples around the world for over 200 years.

Senator BOREN, June 21, 1990:

We should ask ourselves if 100 years from now we want to be remembered for tampering with the Bill of Rights for the first time in our history.

Senator BOREN went on:

Do we really feel that 200 years of experience under our Bill of Rights should be cast aside in favor of uncertain and dangerous tampering with the language of our Constitution?

Senator METZENBAUM, June 14, 1990:

I am angry that once again we are going to turn the Bill of Rights into a political football. In 200 years, the Bill of Rights has never, never, been curtailed.

Senator METZENBAUM went on:

Once you start fiddling with the Bill of Rights to outlaw offensive expression, where do you stop?

Senator KENNEDY, June 11, 1990:

I intend to do all I can to see that the first amendment stays unamended.

Senator KENNEDY went on:

The words of the first amendment are simple and majestic: "Congress shall make no law *** abridging freedom of speech." The proposed constitutional amendment would undermine that fundamental liberty. For the first time in our 200-year history, it would create an exception to the freedom of speech our Constitution protects.

Senator MIKULSKI, October 18, 1989:

***the sanctity of the Bill of Rights. These first 10 amendments to the Constitution were ratified on December 15, 1791. In the almost 198 years since, our Nation has

ratified 16 more amendments and almost every one of those amendments has expanded, not contracted, the Bill of Rights.

Senator JOHN KERRY, June 11, 1990:

I cherish the freedoms that I have in this country. They have given me far more than I could ever give this country in return—the freedom to express myself, the freedom to be what I want to be, the freedom to travel in an almost unlimited way, and acquire whatever skills I have the energy to try to acquire.

The issue is whether or not we can fearlessly hang on to that freedom and encourage human beings to express themselves, to listen to that beating heart inside of them that says to them this is what you ought to do in spite of what the majority says.

Senator BINGAMAN, June 20, 1990:

I cannot support an effort to begin writing exceptions into the first amendment of our Constitution.

Senator BRADLEY, June 20, 1990:

***our American flag is best protected by preserving the freedom that is symbolized. I cannot support a constitutional amendment that will limit that freedom.

To preserve means to keep intact, to avoid decay, but this amendment would leave the freedom of speech intact, less robust, more in a state of decay. To support an amendment which would, for the first time in 200 years, reduce the personal freedom that all Americans have been guaranteed by the Constitution would be, for me, inconsistent with my oath.

Senator BIDEN, October 16, 1989:

Today we embark on what in my view is one of the solemn tasks any Member of the U.S. Senate can engage in; that is, the task of deciding whether to amend the U.S. Constitution, a document that, together with the Magna Carta, stands as one of the greatest monuments to liberty in the history of all mankind.

Senator PAUL SIMON, June 14, 1990:

Because I disagree with an unpopular decision by the Court—

Senator SIMON said:

Because I disagree with an unpopular decision by the Court does not mean that we ought to then all of a sudden rush in and, for the first time in 200 years, amend the Bill of Rights.

Madam President, I wanted to put this argument in perspective. I understand the concern of my good friend from South Carolina. He supports spending limits. He opposes public funding. He is, indeed, confronted with a Hobson's choice. But the issue before us with regard to the Hollings amendment is whether we want to recommend amending the first amendment for the first time in 200 years because we do not like a Supreme Court decision. That is precisely what was before the Senate 3 years ago with regard to the constitutional amendment to prevent flag burning.

The principal advocates of the underlying bill, Common Cause, the Washington Post, oppose amending the first amendment. And many of our colleagues have expressed themselves on the inadvisability of amending the first amendment as recently as 3 years ago.

I understand the frustration of my friend from South Carolina, but,

Madam President, I hope that this sense-of-the-Senate amendment will be defeated overwhelmingly and on a bipartisan basis, indicating that Members of the Senate do not feel it is a good idea to amend the first amendment or, for that matter, the Bill of Rights for the first time in 200 years because we object to one Supreme Court decision.

Madam President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

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

Mr. HOLLINGS. Madam President, we have just had a very, very interesting lecture about the dangers of amending the first amendment for the first time in 200 years by the same gentleman who wanted to amend the first amendment for the first time in 200 years to ban flag burning. I think it is wrong to evade the issue of whether you are going to limit campaign spending by wrapping yourself in the Bill of Rights, in an incorrect citation of the Bill of Rights and the first amendment itself.

For example, Madam President, as to the distinguished Senator's analysis of the first amendment and Bill of Rights, under Constitution amendment No. XXIV:

The right of citizens of the United States to vote in any primary or other election for President or Vice President, for electors for President or Vice President, or for Senator or Representative in Congress, shall not be denied or abridged by the United States or any State by reason of failure to pay any poll tax or other tax.

There it is. The Bill of Rights is amended in the 14th amendment. You can go through a lot of these other amendments. Amendment No. XVI, the right of citizens of the United States of 18 years of age or over, their right to vote shall not be denied or abridged by the United States or any State on account of age. So 18-year-old Americans did not have freedom of speech—the right to vote—in elections until we amended the Bill of Rights, amended it by saying to the 18-year-olds, speak. We want to hear your voice. We want to hear your speech. We want to hear your vote.

I have often heard in debate that patriotism is the last refuge of scoundrels. Likewise, the first amendment, the Bill of Rights, is the last refuge of those who know that a majority want to limit campaign spending. There are those who do not want limits. And categorically, the distinguished Senator from Kentucky says he does not want to limit spending. He claims that we are not spending enough. He says we spend more on cat food, on "Kibbles and Bits."

It is this Senator's contention, supported by a majority because we have had a majority vote for this constitu-

tional amendment, that we need spending caps. We did not get the 67 votes, or two-thirds, to amend the Constitution, including the votes of many of the Senators whom he alludes to with respect to the flag burning amendment. But on this current amendment, he is trying to intimidate those Senators by implicitly threatening that they are going to face a 30-second attack ad in their next election on the charge of flip-flopping, because they said they would not amend the first amendment. The charge is that now they are voting for the Hollings-Specter amendment that allegedly amends the Bill of Rights. Absolutely false. It does nothing of the kind.

Let me read what we are voting on:

A sense of the Senate that Congress should adopt a joint resolution proposing an amendment to the Constitution that would, one, empower Congress to set reasonable limits on campaign expenditures in support of or in opposition to any candidate in any primary, general, or other election for Federal office; two, empower the States to set reasonable limits on campaign expenditures by and in support of or in opposition to any candidate in any primary, general, or other election for State or local office.

We do not say anything about limiting speech. It is our opponents who equate money with speech, relying on the unconstitutional decision of Buckley versus Valeo. They would have it that four Justices voted to amend the first amendment of the Bill of Rights for the first time in 200 years. But, as Justice White argued with regard to both contribution limits and spending limits, they "are neutral as to the content of speech and are not motivated by fear of the consequences of the political speech of political candidates or of political speech in general." That is what Justice White said.

According to the distinguished Senator's analysis, Byron White wanted to amend the first amendment for the first time in 200 years. Come on. The issue is spending limits, not speech. Justice Thurgood Marshall sided with Justice White. I know the unique and challenging personality of the late Justice Thurgood Marshall. I am not intimate to the proposal he made with the Library of Congress regarding his papers. But having known him, and having respected him greatly, I can see Justice Marshall saying, yes, don't wait any 20 years for everybody to be dead and people saying who is Marshall? You might as well know what I was thinking now. Here is what he said in Buckley versus Valeo. By striking down the limit on what a candidate can spend, he said, "it would appear to follow that the candidate with a substantial personal fortune at his disposal is off to a significant head start."

The late Justice Marshall wanted, my friend from Kentucky would say, to

amend the first amendment in the Bill of Rights for the first time in 200 years. But, as Justice Marshall made clear, speech is not at issue. At issue is the corrupting influence of money.

In Buckley versus Valeo, the Supreme Court absurdly equated a candidate's right to spend unlimited sums of money with his right to free speech. The majority drew a bizarre distinction between campaign spending and campaign giving. For first amendment reasons, the Court struck down limits on campaign spending. But it upheld limits on campaign contributions on the grounds that "the governmental interest in preventing corruption and the appearance of corruption" outweighs considerations of free speech.

I have never been able to figure why that same test—"the governmental interest in preventing corruption and the appearance of corruption"—does not overwhelmingly justify limits on campaign spending. However, it seems to me that the Court committed a far graver error by striking down spending limits as a threat to free speech. The fact is, spending limits in Federal campaigns would act to restore the free speech that has been eroded by Buckley versus Valeo.

After all, as a practical reality, what Buckley says is: Yes, if you have personal wealth, then you have access to television, you have freedom of speech. But if you do not have personal wealth, then you are denied access to television. Instead of freedom of speech, you have only the freedom to shut up.

If you are a nurse or teacher or doctor involved in a political action committee, you are attacked with the epithet special interest, special interest, special interest. But big fat cats, the billionaires now are elevated in this land. The little people are derided as special interests. The common good is gone. Great individual wealth is reversed.

My friend Ross Perot, heavens above, if the Government had paid on his invoices for computer services the way it pays on the national debt, Ross would be on food stamps. I can tell you that right now. But we elevate the billionaire, and he can run around, change positions and go in all directions, harassing the President who is trying his best to speak candidly to the American people. President Clinton is telling the truth, telling us that we need spending cuts, we need spending freezes, and we need taxes. And, let's be clear, it is the President's predecessors who are raising taxes every day by \$1 billion to pay interest on the debt they quadrupled.

I am tempted to come on the floor at the morning hour each day and point out that the Republicans raised taxes today, they spent another \$1 billion to pay interest on the debt. Because they quadrupled it with this nonsense of growth, growth, growth, running

around like monkeys on a string; growth, growth, just by gosh, cut taxes, run up the deficits and debt. As a result, net interest costs in 1981 were \$52 billion. Today, interest costs are more than \$230 billion. Gross interest is now \$310 billion, and that is with low interest rates. Let the interest rates go back up and we are in real trouble. Interest costs are over \$1 billion every day of the week, except Sunday. So we can come on the floor and say, eek, taxes. But the hidden taxes of interest costs are up, up, and away. The luxury tax we can repeal, the catastrophic health insurance tax we can repeal. But you cannot repeal interest taxes. You have to pay them.

Bear in mind that President Ronald Reagan signed every appropriation bill, save for one small supplemental in his first year. He signed every appropriation bill from then on.

Likewise, President George Bush has his name on every red cent of spending during his 4 years as President. He had 43 vetoes; he never vetoed spending. Yet, they have the audacity, the unmitigated gall to come on the floor and say: Taxes, taxes, taxes; when you raise taxes, that ruins competitiveness and loses jobs.

How many jobs are lost as a result of the interest costs on the debt? Think what we could do with the \$300 billion per year we squander in interest payments. This is the Reagan-Bush debt. They ran it up. That is why we are in this wrecked economy here and why President Clinton is trying to repair the mess. They say no to taxes, make spending cuts first, as if we have the luxury of choice. We must do both. Now. You can eliminate the Congress, the President, food stamps, foreign aid, the departments of governments—just eliminate them, do not cut them—and you still have a \$150 billion deficit. So spending cuts alone won't do the job. Let us talk sense.

When we come to campaign spending limits, do not wrap yourself up in the first amendment, the Bill of Rights and freedom of speech. What we are trying to do is restore—as the Commission on the Constitution downtown has said—“restore” freedom of speech, because at the present time, if I have \$1 million and you have \$50,000, then I have speech and you don't. I can wait until October 10 in the campaign, and then I unload my barrage. I can have my TV ads, billboards, magazine articles all ready, and I just unload a million dollars' worth of speech, and you only have \$50,000 to respond. It's totally inadequate. Your family wonders why you are not answering. Veritably, under Buckley versus Valeo, your freedom of speech is taken away.

So if we are going to talk about the first amendment, which I revere; if we are going to talk about the Bill of Rights, which I revere; and if we are going to talk about freedom of speech,

which I revere, then let us vote for the Hollings-Specter amendment. We are finding out in this particular sense of the Senate who is who and what is what. And this is the one opportunity we have to come back to the bipartisanship that enacted the Federal Election Campaign Practices Act two decades ago. That is what we have been trying to do.

S. 3 and the leadership approach to reform has bogged down into a partisan wrangle. Like a dog chasing its tail, we are spun around in contortions about how much you can and cannot spend, whether compliance is voluntary or coerced. And, by the way, if you do not comply, you must put in your ad “I do not agree with voluntary limits”—and they dare to call this a voluntary system.

That is patently unconstitutional. We keep running around voting on unconstitutional nonsense around here. If you want to preserve and protect the Bill of Rights and the Constitution, support my constitutional amendment. We have it cold and clean, and we have it checked with the best of constitutional authorities. It permits limits on expenditures, period. That is what is really at issue. Then the Congress, the Senate, and the House can get together, Republicans and Democrats, and impose appropriate, reasonable limits. And we don't have to resort to the subterfuge of so-called voluntariness.

They are trying to coerce and pretend it is voluntary. It is not going to pass constitutional muster. That is why I am offering this sense-of-the-Senate resolution, to let Senators speak out, because a majority voted for this before. We did not get the necessary two-thirds. This time, regrettably, I am not in a position to amend the underlying bill because this is a joint resolution to amend the Constitution, requiring approval of the States, rather than a bill requiring the approval of the President.

So we seek approval of this sense-of-the-Senate resolution to get this issue out on the table, to try to restore bipartisanship, to try to get spending limits in the most direct way possible. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. KOHL). The chair recognizes the Senator from North Dakota.

Mr. DORGAN. I ask unanimous consent to speak for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection. It is so ordered.

MANAGED COMPETITION

Mr. DORGAN. Mr. President, in Rugby, ND, top quality health care costs a lot less than it does in most other rural areas. Through the Heart of America HMO, Rugby provides health

care to most of its 2,900 residents and to surrounding counties through four satellite clinics. And the HMO provides this much needed rural health care for about \$100 less per family per month than comparable Blue Cross/Blue Shield plans in the State.

When the Secretary for Health and Human Services, Donna Shalala, visited Rugby a few weeks ago, she called the Heart of America HMO “the wave of the future.” We're proud of the way that this North Dakota community has responded to the challenge of providing quality rural health care efficiently.

I am not telling you this just to brag about Rugby, or as a way of saying the health care system in this country isn't broke. But I am saying that, in some communities, we know how to fix it.

Secretary Shalala said that Rugby is “what the new model for rural health care delivery is going to look like in this country.” And I suspect she's right. But the folks at the Heart of America HMO will be the first to tell you that their success doesn't provide a cookie-cutter formula guaranteed to fix the Nation's rural health care woes.

The unique problems of rural health care aren't only unique to rural America; they are unique to each and every rural community. Anyone who thinks that rural North Dakota probably is a lot like rural New England ought to spend a couple days in my home State.

These differences highlight the need for a single major component to underlie any serious attempt at health care reform—flexibility. The United States is more like a dozen countries than a single country in that, within our borders, we have 250 million people, hundreds of cultures, and dramatically varying climates and environments. In short, we have 50 very different States, and I think all of them would reject a proposal to create a uniform health care system.

Let us talk first about what rural health care is all about. More than 22 percent of our Nation's population lives in rural areas. Most of these areas face an acute shortage of physicians and a critical lack of access to health care services. In more populated areas the chief health care problems are usually related to cost, but in rural areas cost and enhanced access must be vital components of any health reform proposal.

Obviously, the concept of managed competition in sparsely populated rural areas is unworkable and unimaginable—there simply is no competition to be managed in rural areas where the primary health concern is access to basic care. From my discussions with Hillary Clinton and Ira Magaziner, I am confident that the health reform proposal that we receive from the President will recognize the unique circumstances in rural areas.

However, I want to emphasize that, just like urban and rural areas have

different health care concerns, different rural areas also have unique health needs that cannot be effectively addressed by a single, cookie-cutter national plan.

In my own State of North Dakota, 36 of our 53 counties are frontier counties with fewer than 6 people per square mile, and 3 counties have fewer than 2 people per square mile.

How does that translate into health care needs? Thirty-eight of our 53 counties have physician shortages. Sixteen counties have no hospital beds, and 5 don't even have a satellite clinic facility.

Just for discussion's sake, I'd like to draw a comparison with another rural State—Vermont. Both States have populations of about 600,000 people, both States get a lot of snow in the winter, and both States are proud to call themselves rural America. But when it comes to health care, our similarities end right there.

Vermont has just over 9,000 square miles; North Dakota covers nearly 70,000 square miles with almost the same population. Geographically, more than seven Vermonts could fit into one North Dakota.

In 1986, Vermont had 246 physicians for every 100,000 people. North Dakota, in comparison, had only 133—barely half the number in Vermont, despite the fact that patients have to travel much greater distances to reach a doctor in my State. By 1995, the difference in physician ratios is expected to jump to 305 doctors per 100,000 people in Vermont versus 152 in North Dakota.

This difference in health care needs also extends to other health care professionals. For example, in 1989 Vermont had nearly 36 clinically trained psychologists per 100,000 residents; North Dakota had fewer than 17 per 100,000 residents.

But when you look at registered nurses, you'll see the situation reversed. In 1988, Vermont had only 821 registered nurses per 100,000 people, but North Dakota had 923. Only five States had a greater ratio of registered nurses to their population than North Dakota.

Each of these differences must be integrated into a comprehensive health reform plan for both North Dakota and Vermont. Each State needs a plan that enhances its strengths and directly addresses specific gaps in health care delivery. No cookie-cutter uniform plan is going to do the job for both North Dakota and Vermont.

Here's what we're doing in my State: In response to a growing number of uninsured North Dakotans and skyrocketing health costs in the state, health care providers, insurers, and consumers in North Dakota have come together to form the North Dakota Health Task Force. With assistance from the Robert Wood Johnson Foundation, the task force has begun developing its proposal for statewide health reform.

The task force has challenged itself to go further than the kinds of universal principles proposals that we often see from large industry and umbrella organizations. Instead, the task force has set specific timetables and has begun developing a comprehensive, detailed legislative proposal.

Here in Congress, we talk a lot about the need for innovation in this country. The North Dakota Health Care Task Force and the HMO at Rugby, ND, demonstrate the range of innovative new ideas that states and communities already are experimenting with to address the unique problems and needs of rural health care. As we look to proposals for national health care reform, we have to ensure that we don't stifle the energy and innovation that are already at work fixing many of the problems with our health care system.

I am not suggesting that rural areas should be exempted from the national health reform plan. The crisis in our health care system is a national crisis. Too many citizens don't have insurance coverage or don't have access to a physician. We have to find a way to fix this problem across the country, and to do it without it costing—literally and figuratively—an arm and a leg.

I fully recognize the magnitude and scope of this problem, and I will wholeheartedly endorse a national solution. I agree with those who say that rural areas as well as urban areas must accommodate our national drive toward containing costs and providing universal health care access.

Within the parameters of these broad health reform goals, however, rural areas should be given maximum latitude to devise their own proposals for meeting the goals. In order to make health care reform work, we have to bring the ability to tailor a health reform plan as close as possible to the people who deliver and consume health care services.

I know from experience that American communities will come through with innovative, ground-breaking proposals that work for them—that accommodate their unique needs and circumstances—if we'll only give them the flexibility to do it. I urge my colleagues and the White House to remember our diversity as we all struggle to attain our common goal—universal health coverage for all our citizens.

I would be happy to yield to my colleague, Senator JEFFORDS from Vermont, whom I visited with about this issue of flexibility. We have different States and different needs, but both have the same need for flexibility in the health care proposal.

Mr. JEFFORDS. Mr. President, I am happy to continue to speak on the question of how best to achieve rural health care reform. I agree with everything that my colleague from North Dakota has said. I also commend him

on the charts which have been very informative in letting people know the serious differences we have in the ability to provide health care in rural areas and the need for flexibility.

It comes down to, as he said, that with delivery of health care in rural areas, one size does not fit all. I believe any national reform effort must be evaluated in terms of whether it achieves three important goals: First, it must ensure that all Americans have health benefits; second, it must eliminate the cost shifting that occurs within our present system; and third, it must have strong cost containment provisions in order to control health care's impact on the Federal budget deficit.

For health care reform to work best, State flexibility is essential. The States are in a better position than the Federal Government to determine the best way to deliver care and keep health care costs in line. They are closer to the people, and able to respond more quickly to their needs. State flexibility is the cornerstone of my own reform proposal, called the MediCore Health Act. I introduced it last year. After making some refinements, I will be reintroducing the proposal today. I am pleased to be able to say that the administration is also taking a look at my MediCore proposal.

Having had several discussions on health care with Mrs. Clinton and her staff, I believe our goals for health care policy reform are very similar, and I am pleased with recent changes that have been announced relative to financing.

I agree, as was reported in the Washington Post today, that no significant amount of new money needs to come from the private sector. Good Lord, we are spending enough now, more than twice as much as some of our industrialized countries and with no significant indication of any better health care.

As Senator DORGAN points out, managed competition may not work in North Dakota and many other rural areas. In my own State of Vermont, the jury is still out when it comes to determining whether or not managed competition will work. Last spring, the Vermont Legislature passed many strategic health care reforms including the creation of a new State agency, the Vermont Health Care Authority. The health care authority has many responsibilities but one of its most important tasks will be to develop two approaches to ensuring health care for all Vermonters, a single-payer and a limited-payer system. The limited payer may well be referred to as a managed competition type of system. Come next January, the State legislature will vote on which of these two approaches will work best in Vermont. In the meantime, networks of care are developing at a rapid rate in response to our new State law.

I must stress that the changes in law that took place in 1992 were certainly not the starting point for health care reform in our State. While we are not without our health care problems in Vermont, we have been working toward solutions to our problems for well over 6 years. Vermont has been a true pioneer in health reform. Many of the State's past initiatives in this area are now considered essential elements of any national reform that takes place. I am extremely proud of our accomplishments to date.

For example, in 1988 Vermont initiated one of the first continuous quality improvement programs in the country, the Vermont Program for Quality of Care. This program is designed to collect, analyze, and distribute outcomes research to Vermont doctors and hospitals. It received national recognition in the form of a Robert Wood Johnson Foundation grant. The grant enabled the program to share research on the national level regarding cesarean sections and lower back pain.

In 1989, the State of Vermont acknowledged the fact that the current Medicaid Program is inadequate in its coverage for the poor. In response, the State initiated one of the most comprehensive programs in the country to provide primary and preventive care to low-income children. Our program, called Dr. Dinosaur, provides care for children under the age of 18 living in families with incomes of up to 225 percent of the poverty level. I am also pleased to report that 85 percent of the eligible population is currently enrolled in Dr. Dinosaur.

In 1991, once again Vermont had the foresight and fortitude to tackle another important health policy problem relating to insurance market reform. We passed a law that requires all insurance companies to community rate and guarantee acceptance of all group insurance contracts. By July of this year, these insurance market reforms will extend to individual policies as well.

Finally in 1992, Vermont passed several additional reforms that are likely to be paralleled on the national level. For example, all insurance companies are now required to use universal forms and procedures for processing claims. A statewide data bank was created as a centralized source for determining Vermont's resources, the health care needs of our population, and outcomes of various medical procedures. Again, we received a Robert Wood Johnson grant so that all States could learn from Vermont's efforts.

The new law also requires insurance companies to create and submit to the Vermont Health Care Authority a plan on how they will integrate health care delivery systems in a way to insure patient satisfaction and continuous quality improvement.

As I mentioned earlier, the Vermont Health Care Authority has several im-

portant responsibilities. It is the central point for all health planning within the State. It must develop two alternatives for providing access to health care by next January. It needs to ensure universal access to a set of health benefits by October of 1994. At the same time, it will be responsible for enforcing global budgets for all health spending within the State. Expenditure targets will need to be in place by this July, and an actual budget will go into effect 1 year later.

Mr. President, Vermont is trying its best to try and show how a rural State in this country can provide the kind of health care that is necessary. Along with the creation of the health authority, Vermont also created a 3-year trial period for a medical malpractice arbitration panel. Once our new delivery system is up and running, all medical malpractice disputes will have to undergo mandatory arbitration. The arbitration process itself will not be allowed to take more than 10 months. If appealed, the panel's decision and its findings would be admissible as evidence in court. This is necessary so that doctors will not have to order extra tests to protect themselves from liability. Practice guidelines would be used as the standard for care. After the 3-year trial period, the Vermont Health Care Authority would be responsible for evaluating the new system and issuing a study on it.

Whether or not managed competition can work in Vermont, one thing is for certain, we know how important it is to manage care. The concept of managed care, using a continuous quality improvement process to ensure quality care and patient satisfaction, is now an integral part of health care delivery in Vermont and its role will only increase in the future.

It is my understanding that the Clinton administration will encourage managed competition in those areas where it is appropriate and give States the flexibility to opt out of this kind of system when it just will not work. For rural areas where managed competition may not work, the Clinton administration envisions a system of managed cooperation instead of managed competition. The administration will look to HHS to develop models for rural network development that States may want to try. For example, a public utility approach, where a health plan would be required to service a rural area in exchange for being able to bid on a more urban area within a State, could be used in some States. In other States, price variation, where health plans pay a higher rate to doctors who agree to practice in rural areas, could be implemented. In addition, it is my understanding that the Clinton plan will encourage rural health plans to contract for shared resources, like specialty doctors and centers, that work for more than one plan.

Mrs. Clinton has even talked of using interactive video in order to ensure that rural doctors are able to obtain second opinions. Both Democrats and Republicans acknowledge that we need to work on manpower policy in the health area in order to encourage National Health Service Corps doctors to stay in rural areas, as well as ensure sufficient primary care and support for primary care physicians in rural areas.

I am very supportive of all these ideas. Furthermore, I believe that the Clinton administration is planning to allow States to opt entirely out of a managed competition delivery system and put in a single payor system if they prefer. It is particularly important that rural States like Vermont have this flexibility.

I commend the administration for its commitment to State flexibility, even though they are likely to take a less direct approach than I do in my MediCORE bill. It seems that the administration wisely realizes that States need the freedom to be able to explore their own unique approaches to solving their health care problems. I am convinced that it is only through State experimentation that we will all learn better ways of achieving our health policy goals. We have much to learn.

While my own home State of Vermont has enacted many important reforms, we have a long way to go before we completely achieve our goals. We are not without our share of obstacles to overcome. For example, we have almost 64,000 uninsured Vermonters. Many of these folks will need financial assistance for obtaining care. In addition, we need to do better at creating delivery structures that eliminate transportation and other geographic barriers to care.

While Vermont may have more doctors than they do in North Dakota, our population may well be more disbursed. Approximately 45 percent of North Dakotans live in cities of 8,000 or more compared to 20 percent of all Vermonters. Most of us in Vermont enjoy a rural lifestyle and our health care delivery system will need to reflect this. Furthermore, when designing preventive care programs, Vermont will need to come up with a plan that puts a special emphasis on preventing breast cancer, as our State unfortunately has the fourth highest incidence of breast cancer in the country. Perhaps our biggest challenge in the health care area will be to find the most equitable ways of staying within our health care budget.

While there is still much to be done to improve health care in Vermont, I am confident that we are moving ahead in the right direction. We are fortunate in the sense that unlike many areas, we have all the interested parties, providers, businesses, consumers, and State officials, working together to tackle our problems. Any national re-

form effort must build on the progress already made and not impede State efforts. States must have the freedom to explore creative ways for achieving efficiencies within the system as well as for improving the quality of care. The Federal role should be to encourage State creativity in meeting health care goals. This can only be done through a flexible approach on the part of the Federal Government. Anything less just will not work.

I will just conclude by commending the Senator from North Dakota for rising to help explain the problems of rural areas and the necessity that we cannot have just one national system that is going to try to fit all different areas. I look forward to working with him as the health care debate progresses, trying to find the best possible health care program for this country.

Mr. President, I yield the floor.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

UNANIMOUS-CONSENT AGREEMENT

Mr. HOLLINGS. Mr. President, I understand this unanimous consent request has been cleared on both sides.

Mr. President, I ask unanimous consent that the time until 11:45 a.m. today be for debate of the pending Hollings amendment No. 380, with the time equally divided and controlled in the usual form, with no second-degree amendment in order thereto, and that at 11:45 a.m., the Senate, without intervention action or debate, vote on or in relation to the Hollings amendment number 380.

Mr. MACK. Reserving the right to object, and I hope I will not have to object, as long as I will have an opportunity to speak as if in morning business between now and that time.

Mr. HOLLINGS. I object to anyone speaking in morning business. That is all we have done all morning long. We are trying to bring this to a conclusion.

Mr. MACK. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Is their further debate on the amendment?

Mr. McCONNELL addressed the Chair.

The Chair recognizes the Senator from Kentucky.

Mr. McCONNELL. Mr. President, I say to my friend from Florida, we are trying to get a vote scheduled here. How much time is he seeking?

Mr. MACK. Probably 7 minutes.

Mr. McCONNELL. How much time is the Senator from Washington seeking?

Mrs. MURRAY. Approximately 4 or 5 minutes.

Mr. HOLLINGS. I will yield her 5 minutes, if you will yield him 7 minutes between now and 11:45. We can go ahead with the agreement and we can both yield.

Mr. McCONNELL. I think that is agreeable.

Mr. HOLLINGS. Again, Mr. President I ask unanimous consent that the time until 11:45 a.m. today be for debate of the pending Hollings amendment No. 380, with the time equally divided and controlled in the usual form, with no second-degree amendment in order thereto, and that at 11:45 a.m., the Senate, without intervening action or debate then vote on or in relation to the Hollings amendment No. 380.

Mr. McCONNELL. Reserving the right to object, I want to make certain that I have 5 minutes before the vote. If the Senator from South Carolina can modify the UC agreement to accommodate that, then I will have no objection.

Mr. HOLLINGS. If I can also have 5 minutes before the vote.

Why do we not change 11:45 to 11:50? Mr. McCONNELL. That would be fine.

Mr. HOLLINGS. I amend the request to 11:50.

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

The Chair recognizes the Senator from Washington for 5 minutes.

Mrs. MURRAY. I thank the Chair.

(The remarks of Mrs. MURRAY pertaining to the introduction of S. 1037 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida for 7 minutes.

Mr. MACK. Thank you, Mr. President. And I thank the distinguished Senator from South Carolina for making this time available to me.

PRESIDENT CLINTON'S TRUST DEFICIT

Mr. MACK. Mr. President, earlier this year, David Broder of the Washington Post wrote an article about President Clinton's trust deficit. In that article, Broder expressed the concerns of Americans across the Nation that the President has a major credibility gap.

Since then, the President has done nothing but heighten those concerns. Bill Clinton still has not done what he promised; he has not given the American people what they voted for.

His trust deficit is certainly exposed in the case of the Btu tax. Where candidate Clinton promised that the middle class would get a tax cut, President Clinton is socking them with a major tax increase.

In his book, "Putting People First," candidate Clinton opposed a Federal gas tax and said, in his words, that it

would be "backbreaking" to the middle class. But Bill Clinton's Btu tax will raise the price of gasoline just like a gas tax will. And it will be just as unfair and could hurt the middle class just as much.

The consumer watchdog group Citizens for a Sound Economy calculates that the average family would pay at least an additional \$125 per year on just the gas tax component of the President's Btu tax. This is because it estimates that the gas tax component will add at least 8 cents a gallon to the price of gasoline.

The President's trust deficit is even more apparent in looking at his overall tax package. Candidate Clinton said he would reduce the deficit, and promised to cut spending by more than he raised in new taxes.

When he became President, his Budget Director confirmed a deficit plan that would cut spending by \$2 for every dollar in new taxes.

By the time President Clinton gave his State of the Union Address, the ratio of spending cuts to new taxes had slipped. He talked about cutting spending only \$1 for every dollar in new taxes.

Soon after that, when the President submitted his Budget to Congress, there were not \$2 in spending cuts for every dollar in tax increases; there was not even \$1 in spending cuts for every dollar in tax increases. His budget package had turned into \$3 of tax increases for every dollar of spending cuts.

And now, the President and his Democrat pals in Congress are presenting the American people with a tax bill that raises \$5 in new taxes for every dollar in spending cuts. As a further insult, there are virtually no net spending cuts in 1994 and 1995. Nearly all the spending cuts require some future Congress—not this one—to make the tough choices on cutting spending. In other words, there is only the promise of spending cuts in the future. "Trust me," says the President.

His program of \$5 in tax increases for every dollar of spending cuts is even scaring the tax-happy House of Representatives. Today the House is scheduled to vote on a package that has net reconciled spending cuts of \$55 billion over 5 years and tax increases—including user fees—of \$288 billion. This is an explosion of Government. It is the largest tax increase by far in our Nation's history. And it may be followed by what could be another spending explosion on health care.

The American people are not buying the President's package. They want spending cuts first and they want spending cuts now. Here are examples of the letters and cards that have flooded my office with the simple message of cut spending first. Let me read one of them.

This is the first time in 57 years that I have felt strongly enough about an issue to

write one of my federal representatives. The issue is the current debate going on regarding the budget. It appears that the congress and the current administration do not understand what we the electorate are concerned about. The issue is spending. If the Congress and the administration would spend more time discussing how money can be saved rather than spent we would all feel a lot better. There are many ways to save money that aren't being considered or are being protected because of a special interest. I don't mind sacrificing if it is as a result of a cut back. I do mind if it comes as a result of additional debt or more taxes. I can't operate my finances in the red and I don't understand how or why government should.

He is saying in essence, "cut spending first."

These three simple words have been the battle cry for a revolution sweeping the Nation. If the President continues to ignore the calls of the American people, his Presidency will be swept under by this tide of revolt.

That is what this debate is all about.

The American people have been down this road before with the same, tired program of tax hikes now with only the promise of spending cuts later.

Trouble is, taxes continue to rise, the economy continues to suffer, the debt continues to soar, and Government spending spirals out of control.

The American people have had their fill of empty promises. The system is flat out broke. That is why we need to bypass this whole mess and take a lesson from the Base Closure Commission to form a spending cuts commission.

Under my bipartisan legislation, the commission would come up with \$65 billion a year in cuts—with Congress and the administration having only the ability to say "yes" or "no" without amendments.

Congress is not cutting spending first. The administration certainly is not cutting spending first. It is time to reinvent the system.

But in the meantime, we simply cannot tolerate more taxes for more spending and more Government. We must restore the American spirit of innovation and competition, not punish success. The Clinton plan means failure—not only for the American people, but for his Presidency.

Let me add one more thought on the President's trust deficit. During his campaign, candidate Clinton continually pounded at President Bush for extending most-favored-nation trade status to China. He said we should not "coddle tyrants from Beijing."

Yet last night at a town meeting, the President announced that he would extend MFN status for another year. Despite their extensive record of human rights abuses, their use of gulags and prison labor, their devastation of the people of Tibet, and their active nuclear weapons sales to terrorist countries, the President believes those tyrants in Beijing deserve unrestricted trade privileges.

What kind of a signal does this send to the world when the President con-

tinually reverses his position? What kind of trust do others in the world have of us that our policies affecting them will not change tomorrow?

The real question is, is this President up for the job he was elected to do?

The PRESIDING OFFICER. Who yields time? The Senator from Kentucky [Mr. McCONNELL].

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. McCONNELL. Mr. President, we are going to be voting at 10 minutes to 12 and I could, under the unanimous-consent agreement, make a motion to table. But I will not do that. I think it is important for the Senate to be clearly on record, up or down, on the question before us.

My good friend from South Carolina suggested that my credentials for raising the constitutional argument against amending the first amendment were tainted because I had earlier supported the flag burning amendment. I have only been here—I guess I am beginning my ninth year. The Senator from South Carolina has been here considerably longer than I. I do not know whether he has ever cast a vote that he subsequently regretted or whether he has ever changed his mind over a period of time. But I would say there is no vote I have cast since I have been here that I subsequently concluded was more in error than that one. I can assure my friend from South Carolina that if the question of revisiting the first amendment were before the Senate today on the question of flag burning, I would vote differently from the way I voted 3 years ago.

I have changed my mind. I have had an opportunity to research more thoroughly the whole implications of revisiting the first amendment. I do not know if my friend from South Carolina has ever changed his mind about an issue, but I have clearly changed mine about that one.

So, if the fact that I voted for that amendment in 1990 tarnished my credentials, then the tarnish is removed. That vote was a mistake. If I had to do it over again, I would vote differently.

So, let us go to the heart of what is before us: The constitutional amendment provision that the Senator from South Carolina offers, an amendment to the Constitution that would "empower Congress to set reasonable limits on campaign expenditures by, in support of, or in opposition to any candidate in any primary, general, or other election for Federal office."

What did the Washington Post say about the Hollings amendment? In its editorial of April 6, 1988, it said as follows:

Mr. Hollings would simplify the matter, but at considerable cost. His amendment

said, in a recent formulation: "The Congress may enact laws regulating the amounts of contributions and expenditures intended to affect elections to federal offices." But that's much too vague, and so are rival amendments that have been proposed. Ask yourself what expenditures of a certain kind in an election year are not "intended to affect" the outcome? At a certain point in the process, just about any public utterance is.

Nor would the Hollings amendment be a political solution to the problem. Congress would still have to vote the limits, and that is what the Senate balked at this time around.

As Buckley v. Valeo demonstrates, this is a messy area of law. The competing values are important; they require a balancing act. The Hollings amendment, in trying instead to brush the problem aside, is less a solution than a dangerous show. The Senate should vote it down.

The Washington Post, which supports the underlying bill, opposes the constitutional amendment.

Common Cause, which is the most aggressive supporter of the underlying bill, opposes the constitutional amendment.

The letter I have referred to earlier from the American Civil Liberties Union, dated June 4, 1992, raises a very important point about the potential for amending the first amendment for the first time in 200 years, and the implications thereof.

"Finally," the ACLU says:

*** as an amendment subsequent to the First Amendment, the existing understandings about the protections of freedom of the press would also be changed, thereby empowering Congress to regulate what newspapers and broadcasters can do on behalf of the candidates they endorse or oppose. A candidate-centered editorial, as well as op-ed articles or commentary, are certainly expenditures in support of or in opposition to political candidates. The amendment, as its words make apparent, would authorize Congress to set reasonable limits on the involvement of the media in campaigns when not strictly reporting the news. Such a result would be intolerable in a society that cherishes a free press.

Mr. President, there are partisan disagreements about the underlying bill. Obviously that is the case. But on this amendment, the issue is precisely the same that the Senate visited in the flag-burning issue. The question is quite simply this: After 200 years, do we want to amend the first amendment?

Let the debate continue on the underlying bill. But let us today, on a very strong bipartisan basis, say no to amending the Bill of Rights for the first time in 200 years.

Mr. President, I rest my case. I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I have emphasized we are not amending the constitutional Bill of Rights for the first time in 200 years. We are not amending the Bill of Rights at all. We are affirming the Bill of Rights. We are

affirming and restoring true freedom of speech in Federal campaigns.

The truth of the matter is that the amendment does not limit speech with respect to the context of speech itself. It says, "Empower Congress to set reasonable limits on campaign expenditures * * *." You can talk all you want. "Empower the States to set reasonable limits on campaign expenditures * * *." You can talk all you want.

The Court, in looking at television and its costs, said, "Wait a minute. In campaigns, money is speech."

For argument, let us go along with that analysis that money is speech. But where is the difference between the contributor's speech and the spender's speech? The Court said that the spender was unlimited; he had total freedom. But the contributor could be limited because of the appearance of corruption. How can there be corruption if everything is open to the public, on the public record? If there is a corrupt gift, it is on the record. You can defeat a fellow on that.

So Buckley versus Valeo is a distorted decision that took away true freedom of speech, which I have emphasized time and again. If you have money, you have freedom of speech; if you do not have money, you have the freedom to shut up. We all know that in war whoever controls the air controls the battlefield. In campaigns, politically, whoever controls the airwaves controls the campaign. And so it is that we are trying to restore equal freedom of speech by putting reasonable limits on spending. S. 3, supported by The Washington Post among others, provides for public financing, food stamps for politicians. They want Common Cause-style public financing; food stamps for politicians.

I oppose public financing. Politicians ought to go back to their constituents, have an accounting, meet on the main street, talk to the Rotary Club, explain your votes. We cannot do that in a national election because the other 49 States are not my constituents. It is totally impossible. So we have had public financing in national, Presidential elections. But don't try to use that as a precedent. It is inappropriate with respect to campaigns for Congress. We cannot have food stamps for politicians.

We have dithered for 20 years as campaign costs have gone up, up and away. And it has corrupted. Everyone agrees—Republican, Democrat, those who favor, those who oppose financing—that we cannot vote on Friday, we cannot vote on Monday, we have to get out here to raise money; someone has a fundraiser downtown, someone has this; we have to have a dinner break, so we have fundraisers and then we all come back at 9 o'clock to vote. It is an embarrassing spectacle.

I was here when the Senate started up on Monday morning and voted. I

was here when we voted through Friday afternoon. We got through with our work. Now there is a week off to raise money every month. I mean, come on.

It is so out of control that we now have to raise \$11,000 per week, and in a larger State like Wisconsin, it is probably nearer \$20,000 per week for every week during the 6-year term. If you have not raised your money this week, you are out. You have to raise it.

That is what we are trying to correct, and that is what, in a bipartisan fashion, we corrected back in 1974, until our bipartisan reform was undone by Buckley versus Valeo. That decision took away freedom of speech. We are trying to restore true freedom of speech by means of this sense-of-the-Senate resolution.

The distinguished Senator from Kentucky did not say it today, but I have heard him in the past expound his eloquent Kibbles 'N Bits defense, his notion that we spend more money on cat food than we do on elections, and we ought to be spending more money on elections than on cat food. Well, unlike cat food, elections should not be up for sale. He and I disagree fundamentally on that. We ought to limit spending, and this is a bipartisan approach to express a sense of the Senate so we can later move to the joint resolution.

In the future, I can put up an amendment; we can have a debate; we can pass it and send it to the States, and the States would vote for it in a flash. You know it and I know it and everybody else knows it. But if you want not to limit the spending, then vote no.

But if you want to get to the real issue at hand, then we ought to go ahead and support this, as it has been supported by a majority of the Senate, in a bipartisan fashion, in the past. We have to get two-thirds.

If we have a few more minutes on either side, if it belongs to either one, do you want to yield back?

Mr. MCCONNELL. Yes.

Mr. HOLLINGS. We both yield back our time, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. 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. HOLLINGS. 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. HOLLINGS. Mr. President, I think the order now is for a vote.

The PRESIDING OFFICER. The question is on agreeing to the Hollings amendment No. 380. The yeas and nays

have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Alabama [Mr. HEFLIN], and the Senator from Texas [Mr. KRUEGER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH] and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

The result was announced—yeas 52, nays 43, as follows:

[Rollcall Vote No. 129 Leg.]

YEAS—52

Akaka	Feinstein	Moseley-Braun
Biden	Ford	Murray
Bingaman	Glenn	Nunn
Boren	Graham	Pressler
Bradley	Harkin	Pryor
Breaux	Hatfield	Reid
Bryan	Hollings	Riegle
Bumpers	Inouye	Robb
Byrd	Johnston	Roth
Campbell	Kassebaum	Sarbanes
Conrad	Kennedy	Sasser
D'Amato	Kerry	Shelby
Daschle	Lautenberg	Simon
DeConcini	Levin	Specter
Dodd	Lieberman	Wellstone
Dorgan	Mathews	Wofford
Exon	Metzenbaum	
Feingold	Mitchell	

NAYS—43

Bennett	Faircloth	McConnell
Bond	Gorton	Mikulski
Boxer	Gramm	Moynihan
Brown	Grassley	Murkowski
Burns	Gregg	Nickles
Chafee	Helms	Packwood
Coats	Jeffords	Pell
Cochran	Kempthorne	Rockefeller
Cohen	Kerrey	Simpson
Coverdell	Kohl	Smith
Craig	Leahy	Stevens
Danforth	Lott	Wallop
Dole	Lugar	Warner
Domenici	Mack	
Durenberger	McCain	

NOT VOTING—5

Baucus	Hefflin	Thurmond
Hatch	Krueger	

So the amendment (No. 380) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote.

Mrs. FEINSTEIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, I would like to explain my missing the vote just taken on the Hollings amendment. As ranking member of the Senate Judiciary Committee, I was conducting Judiciary Committee business and did not hear the bell alert nor did I see the clock lights before the vote was concluded. I would have voted no on the Hollings amendment.

Mr. THURMOND. Mr. President, on the earlier vote today on amendment No. 380, I would have voted in the negative. I missed this vote due to a power failure in my office which caused the bells and the telephone alert to fail to work properly. I recognize that my vote would not have affected the outcome of the vote.

Mr. MCCONNELL. Mr. President, I want to commend the Senate for refus-

ing to agree to the Hollings amendment. As we all know, it takes 67 votes in the U.S. Senate to agree to a constitutional amendment. The amendment of Senator HOLLINGS only got 52 votes, a full 15 votes short. I want to particularly commend Senators on the other side who were willing to look to the substance of this, Senator BOXER; Senator MIKULSKI; Senator KERREY of Nebraska; Senator KOHL; Senator LEAHY; Senator ROCKEFELLER; Senator MOYNIHAN; and Senator PELL, who followed the majority leader's admonition 3 years ago when we were considering amending the first amendment to overturn the flag-burning case.

The majority leader said at that time 3 years ago that:

I do not believe we should amend the Bill of Rights. I do not believe that we should ever under any circumstances for any reason amend the American Bill of Rights.

I commend the majority leader for what he said 3 years ago on that subject. I particularly want to thank Senators BOXER, MIKULSKI, KERREY, KOHL, LEAHY, ROCKEFELLER, MOYNIHAN, and PELL for following that admonition.

Mr. President, I yield the floor.

Mr. WALLOP. Mr. President, I ask unanimous consent that I may proceed as in morning business.

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

THE RECONCILIATION PACKAGE

Mr. WALLOP. Mr. President, I was startled in a way, and not surprised in another way, to read the headline in the Wall Street Journal this morning that states "The White House Gives Ground on Energy Tax."

Mr. President, I ask if this is not the same administration who, excoriating the special interests, is now accommodating them one by one. I ask the Senate to consider if this Btu tax is not now more the equivalent of a Belgian lace doily than a straightforward policy. Every hole that has been punctured in the tax remains not a hole but a burden on the back of somebody whose interest was not special enough to be carved out by the White House.

The list of those whose interests have been accommodated is long, beginning with the Speaker of the House's interest in aluminum, and with the House majority leader's interest in beer, and with a variety of other interests, some of which I would agree with. But keep in mind, Mr. President, that these exemptions—this relief for the President's special interests—is someone else's burden. They are not, in fact, exempting these interests from the American consumer as an obligation to pay, or from other less-favored taxpayers to pay; they are relieving the obligations of the favored few that belong to the political elite that are drafting this wonderful little thing called the House reconciliation package.

There was a statement, I believe, in this week's U.S. News and World Report, which quotes a Los Angeles publication, basically saying that this administration is the most anti-job, antigrowth, anticonsumer administration in this half century.

If the administration's plan—if one can even determine what the administration's plan is, since it changes by the hour in the pursuit of votes—as outlined in the budget resolution and the reconciliation's instructions, were to be passed, it will, in effect, destroy the economy of this country, while it is struggling to recover.

It will raise taxes on all taxpayers five times more than it will cut spending. And most impressive of all, under the provisions of the bill that sits on the floor of the House today, during the first year that the bill would be in effect, taxes will exceed spending reductions by almost \$17.

Over the 5 years of the bill, taxes will exceed spending by somewhere in the neighborhood of \$7 in new taxes for every dollar achieved in spending reduction.

Mr. President, it is absolutely fair to assume that the American public honestly believed this President when he said that (a) there would be a middle-class tax cut and (b) there would be \$2-\$3 in spending cuts for every dollar in new taxes raised.

Had that promise been achieved, and given the administration's own tax increase now on the table of just under \$300 billion, deficit reduction might be an impressive achievement of over \$1 billion.

I think it is fair to say that the American public did not believe during the campaign that when they voted, they would get an administration committed to increasing the size of Government under the guise of the term "investment"—which is a word that Americans will learn means a bigger Government, with more regulations, more redistribution of income, and more growth in the very size of the thing which is now consuming us all. It is also fair to say that Americans did not expect to see no middle-class tax cut, and instead get significant middle and even lower class tax increase.

Mr. President, 54 percent of all Federal spending today goes toward entitlements and mandatory spending programs. I think it is obvious to everyone who will be honest for the moment that, in order to get a real handle on the increase in the growth of the deficit and thus the debt, we are somehow going to have to be brave enough to belly up to the question of entitlement growth.

But what appears to have been achieved in the House of Representatives is an agreement between House Democrat Conservatives and the White House that in effect says we have an absolute commitment that under no

set of circumstances will we address entitlement cuts. Let me explain what I mean. What appears to be the compromise needed to obtain votes on the budget package in the House is the idea that we first will determine what growth in the entitlement programs is permitted by the budget resolution and then, if we exceed those ludicrously called caps, the President may recommend either an increase in taxes—which is a license I think Americans will loathe to give to an administration whose general tendency is to increase taxes—or further cuts in spending.

If the Senate would oblige me for a minute, I ask you, where will we go to get the further cuts in discretionary spending? The cash cow called the defense budget that has been used by Democrats and Republicans alike? The only identifiable cuts of consequence in the budget resolution are the extraordinarily large cuts in defense that even the most liberal members of the House Armed Services Committee are now saying may need to be replenished at the end of 5 years, lest we degrade our defense system so much that we endanger this country.

These are not Republicans, or Cap Weinberger types who say this. These are people, like the chairman of the House Armed Services Committee, who is generally not known for his passion to increase defense spending. But even he realizes that this cow has been milked dry and there is nothing more to be gained from her. Far from being on a sacred pasture, she now grazes on the endangered species list.

And we have also not yet seen what will be required of Americans with regards to health care reform. The alarming news this morning is that merely a tax on cigarettes will take care of health care spending, because we will require America's businesses to provide these health care packages.

Mr. President, even though the administration does not willingly call these obligations taxes, the administration cannot fool American businesses owners that this is in fact a tax on the cost of their production and operation.

So what we have is a huge increase, somewhere in the neighborhood of \$100 to \$150 billion a year for health care reform, as well as \$300 billion in new taxes over the next 5 years. And you have milked the defense cow beyond her ability to be replenished.

So, where do we go from here, when, using the administration's own figures, 5 years from now we find the deficit has not been ever reduced, rapidly rising again? Where does America go to fix that problem? The problem, in fact, must be fixed before we ever reach that point.

The President promised us he was a new Democrat. Now we find instead that he has, in fact, exuberantly

launched himself as having the reputation of the old tax-and-spend Democrats. Whatever happened to the promises of spending cuts in the form of \$3 for every \$1 in tax increases? They were not even around long enough to grow stale on us.

The most empty promise and the most egregious tax of them all is, in fact, the Btu tax. The President, when the able Senators from Oklahoma, Louisiana, Missouri, and Maine brought up problems with the Btu tax, accused them uniformly and blindly of being captives of energy industry interests.

That is a ludicrous thing to say. The chairman of the Finance Committee in the Senate, Senator MOYNIHAN, even said on national television over the weekend that the Btu tax was not an oil issue; in fact, Mr. President, it is a jobs issue. And one need not go any further to understand this than the pleadings of the House Speaker who managed to get his aluminum and energy-intensive industries of the Northwest excluded from the provisions of this tax. Speaker FOLEY cannot be accused by the administration of being an oil-State captive, but he has managed to exempt his industry.

One of the most perverse parts of all of the Btu tax is that little segment in the Agriculture Department's appropriation which calls for a \$17 billion increase in food stamps, to take care of the Americans newly made eligible for food stamps because of the onerous requirements of the Btu tax. Compensating them for the cost of the new taxes by making them eligible for food stamps and wards of the Government is not the middle-class tax cut that most Americans thought might be coming their way. Food stamps is a dependency, my friends, and it is being created as a means of putting together a dependent constituency.

I had a constituent named Carl from Cody, WY, who called me this week to express his deep concerns over the administration's tax package and the Btu tax, in particular.

Guess what he told me? He said that the Btu tax would cost him at least \$100 more a year. He had not read the figures as to how much it would cost in Wyoming. It is more like \$400 a year.

But he was concerned that he was going to have to pay \$100 more a year because of the Btu tax and, in simple terms, this meant that he could not get his \$6.50 haircut every 4 weeks. He said he would have to go back to having his wife cut his hair. He wanted to know why he was to be taxed out of his \$6.50 haircut when the President had a \$200 haircut on the runway at Los Angeles while holding up America's air traffic.

Mr. President, the administration claims absolutely repetitiously that the Btu tax is fair, that it is regionally equitable, and that its burden will be borne by all.

But those of us who have farm interests—another group seeking exemp-

tions, which is a tolerable concept as long as exemptions are taking place—and constituents, who live 60 miles or 70 miles away from their jobs like in my State of Wyoming; those of us who have industries, which are energy-intensive; and those of us who have State governments, whose ability to manage and meet the requirements of governing that this Congress and past administrations have been willing to heap upon but not willing to pay for them, are finding that the energy tax will be devastating.

Those of us who have school boards, whose children live 40, 50 miles away from the schools, are suddenly finding that our counties and our school systems are going to be taxed to do the ordinary and necessary functions of Government.

And, guess what? As the President's people allow each exemption to take place without changing on the total level of revenue to be raised by this tax, who do you think gets to pay but our cities, our school boards, our States, and our counties?

The White House continues to say that its interest is in jobs and in education.

How is it appropriate to add to the cost of education in rural States by imposing a Btu tax? How is it that we are going to explain to these people, who are now on tight budgets because of a whole series of other obligations heaped on them by past Congresses, that they are now going to have significantly lower amounts of money to spend on education, because they must pay the Government a tax to run their school buses and to heat their schools?

One has to ask, from an administration who speaks of fairness, if it is fair to impose a tax that will cost American jobs. Six hundred thousand jobs lost is one figure that has been attributed just to the Btu tax.

The Forest Service is seeking to remove 708 jobs in the State of Wyoming because of what are called below-cost timber sales, which we now find when we put all the numbers together, means that the revenue forgone to the Government will actually increase the cost of operating the Forest Service. So, in order to find revenue to increase government, we are willing to sacrifice another 708 jobs in my State, and regions of the West will see similar kinds of results.

How is it that a President, who says he is interested in the competitive capability of America, is willing to say to Boeing, before changes were made to the tax, that he hated what Airbus was doing and he was going to stand up for them, and then willingly impose a Btu tax, which does two significant things. First, it vastly increases the cost of producing a Boeing aircraft, both in the materials they buy and in the cost of producing it; and, second, it vastly increases the costs of their customers, the U.S. airlines, in plying their trade.

The airlines, with lost billions over the last few years, are now looking at an additional \$1 billion in costs because of the Btu tax. Airbus does not have to pay that tax and, therefore, can have their airplanes sold here at a lower price.

Now we see that the administration is playing around with the idea that the Btu tax can be rebated. They forget, of course, that they have an obligation which America has willingly undertaken over the years, called GATT, the General Agreement on Tariffs and Trade. The Btu tax is not rebatable under GATT in the way in which they seek to impose the tax. So how does that do anything for American who want jobs?

In the other body today, the administration will be trying to bring the tax package and the Btu tax to a vote. They are trying to placate concerned Democrats over there with promises, first, of "no compromise."

Now, we have: "The White House gives grounds on energy tax."

They have agreed to modifications of the tax in the hope that they will have created or discovered enough new Fausts who are willing to sell their souls to the Devil to create a moment's relief from the onerous antibusiness, anticonsumer, anticompetitive policies of this administration.

It is about time they realized that the tax will hurt industrial competitiveness. But it is even more time to realize that the proposed solutions will only wreak more havoc. Let me explain.

The first solution included in the bill by the Ways and Means Committee would add an imputed Btu tax on imported high-energy products. Does anybody hear echoes of the 1930's and Smoot-Hawley and the type of policies that wrecked the economy of the whole world, to say nothing of the United States? The import tax is the same type of protectionist measure that took us into the Depression, and it thoroughly discredits the President's own speech at American University where he said he was for free, fair, and open trade, and world competitiveness. By imposing an import fee he is basically saying that since we must tax our own products we must try to find some way to also do it to our trading partners, even though it may be prohibited by GATT.

Now, the administration is trying to find a way to propose a rebate on the Btu tax at the border so America's industries, which are rendered uncompetitive by these taxes, will find some relief.

I asked the former chairman of the Finance Committee, now Secretary of the Treasury, during a hearing in the Finance Committee, if it was not true that the Common Market provided up to a 20-percent subsidy on energy taxes and costs to energy-consuming indus-

tries in their country? He knew nothing of it. But the fact is, that the Common Market does provide such subsidies.

So, now, with this proposal to rebate taxes at the border, we have a solution that will not readily solve the problem, because even the administration and the Joint Committee on Taxation have acknowledged that a border adjustment may well violate our GATT obligations and could be challenged by our trading partners. The 1979 GATT subsidies code expressly states that a rebate at the border on an input not physically incorporated into an exported good is an export subsidy.

What kind of administration is this that says it is interested in the competitiveness of American products, and in free and fair trade, who willingly finds ways to transgress this Nation's obligations under GATT.

The GATT interpretation of the physical incorporation test, as well as America's own practice, suggest that energy consumed in the production of a good is not physically incorporated into a good and, therefore, is an illegal subsidy. To be border adjustable, the tax would have to be on the product and not on the energy input into it. But to do that, guess what, America's consumers would be able to see the level of taxation that this administration was forcing them to pay, so they have gone to extraordinary lengths to see to it that it is not visible to the consumers.

It concerns me that the Clinton Administration is playing Russian roulette with trade policies in order to salvage a bad tax that ought to be defeated. It will be my hope and plan to ask for a study that will provide us with what I hope to be an objective analysis of the issue before we make a mistake that will have serious and probably irreparable international consequences.

But I stand here this morning to say to my colleagues in the Senate: Beware. The American people are well aware of the emptiness of the promises that the administration proposed between the time of its campaign and since ruling. "We will never yield on the issues of entitlements. We will not yield on the issue of the Btu tax." Today we have, "White House gives ground on the Btu tax."

The American people are used to and aware of the necessity to trust their Government. But where do they find trust? Having been promised a middle-class tax cut, now even those with incomes of \$20,000 will have serious increases in their taxes. When the President, having promised the middle class a tax cut in order to get elected confronts the middle class in Los Angeles, the first thing he says is Well, you will have to wait until sometime in the next 4 years in order to get such relief. Why should they believe that? Where is

the basis for trust? If the Btu tax is enacted, make no mistake, it is a permanent tax. The slushy compromise with regard to entitlements has made it clear that under no set of circumstances will anybody ever deal with the growth. We have only to look at the behavior of these Congresses with regard to unemployment to understand why. We say: "This is the last"—"By golly, this is the last"—"This is certainly the last extension of unemployment benefits." Yet we extend them again.

We have only to look at the courage of a Congress that has passed Gramm-Rudman with its spending caps to realize that every time we reached the point whereby we would have to make uniform, across-the-board cuts, we ducked from doing so.

So, what we are left with are taxes that are permanent and cuts which are nonexistent. We have a serious problem that is being laid in front of us. It is not deficit reduction—read the administration's own figures. For a year or two, the size of the deficit declines, but it does not diminish and the debt increases by \$1.5 trillion over the next 4 years. That is certainly not debt reduction.

I would like to bring out one little known fact about the Btu tax. Did you know that this mysteriously evil tax is indexed for inflation? This is unique since the only explicit inflation adjustments in the Tax Code are designed to protect the taxpayer from the effects of inflation—although even these have been curtailed, in part, by this administration—not hurt them, like the Btu tax.

Americans ought to take a look at what this means—it means the tax automatically increases every single year without Government intervention. We will have to intervene to keep the tax from growing. It is devious, what has taken place. I conclude by saying that the Btu tax is bad economics, it is bad tax policy, and it is bad energy policy.

A last little bit on the energy policy. It was said that the Btu tax was imposed, partly in response to the Vice President's total commitment to the environmental movement, as a substitute, for a carbon tax. But the administration tried to pray to too many gods when they designed this tax. In order for the Pacific Northwest, with all its hydroelectric power, to avoid becoming the American manufacturing center of the continent, the Btu content of water was taxed for heaven's sakes. And, in order to satisfy the inordinate demands of the Senator from West Virginia and high-sulfur coal, we doubled the tax rate of Btu in oil over coal. So now you are taxing water, which does not have a Btu content, and you say to high sulfur coal, that it is not as serious an environmental problem as earlier claimed. And what hap-

pened to our energy strategy which we just passed, with the President's blessing. As a candidate, the President said, along with others, that the Energy Policy Act was perhaps the most far-reaching piece of policy that this Congress had passed in many years. We worked hard last year to craft an energy strategy that was fuel-neutral. Now the Btu tax picks a Government fuel and have farther impeded the Energy Act by granting new exemptions that in order to get some more votes in the House and to create new little crowds of Faustus that sit over there.

But the energy policy we crafted last year is distorted because there are now Government-subsidized fuels, there are ignored consequences of the use of high-sulfur coal, there are penalties on the use of American oil which end up being penalties that create a greater dependence on overseas oil, and there is decreased reliability and availability of low-carbon fuels such as nuclear and hydro.

The Btu tax is an environmental mess, Mr. President, as well as an economic mess. This tax has not been well thought out. This program is totally political. And the fact that it is totally political can be seen in the fact that you can buy off the Speaker of the House and the majority leader and other important people, by providing more and more and more exemptions to the onerous provisions of this tax. The Administration has accused others of being special interests, while absolutely kowtowing to the interests whose votes might be necessary to get this tax package passed.

It ill-becomes the President of the United States or his spokesman to call those folks special interests when they absolutely cater to them by the hour in order to find the Faust to pass this new package.

Mr. President, I yield the floor.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

THREAT TO THE SOCIAL SECURITY SYSTEM

Mr. RIEGLE. Mr. President, I want to address the threat being posed to the Social Security system by the budget package that has been put forward by some colleagues, particularly the Senator from Oklahoma [Mr. BOREN]. I say that at the outset so that can be known to anyone in his office and other places interested in this particular issue.

I will also, at the conclusion of my remarks on that, make a comment or two about the remarks of the Senator from Wyoming, which I listened to with great interest.

But I want to, first, of all, address this new budget package that we are still analyzing—but we have analyzed it enough—the one being offered by the

Senator from Oklahoma. I find the part in there that has to do with cuts in the Social Security COLA adjustments to be very damaging and unfair and I think also, in the form in which they have been presented, would actually violate the budget rules that we have in the Senate.

I want to go through it in some detail because I do not think the press yet or the public understands the threat posed to Social Security by that aspect of this program that has been put forward. I want to lay it out here because I intend to do everything I can to confront it directly and to not only make sure everybody understands what it is designed to do and would do, but that the battle lines are drawn right now on this issue, so nobody is under any illusions as to what may be done here.

When you look at the element of the plan that has been put forward, the bulk of the program cuts really are going to be on the backs of older Americans and on those people down the income scale in our country, including those in poverty who are struggling every day just to make ends meet.

Most of those proposals are ones that we have previously dealt with in the Senate and which have been rejected by a series of record votes. In many instances, they were votes on amendments that I myself offered back in the early eighties when the Reagan administration was trying to cut Social Security benefits at that time.

But to be very specific about it, the proposal that has been put forward would cut the cost-of-living adjustments for Social Security recipients and those COLA cuts, as we call them, the cost-of-living adjustments, the cuts in those would be imposed every year for 5 years in a row. That would result in a permanent, cumulative loss of real income for many of our low- and middle-income Social Security recipients.

A lot of these people today are just able to make ends meet. It is not easy to get by in old age in America. Things can be very expensive, whether we are talking about prescription drugs or we are talking about utility bills or we are talking about transportation needs, housing needs, food, the rest of the essentials that everybody has to have.

The cost-of-living adjustment on Social Security does not give any senior citizen on Social Security extra buying power. That is not what it is. It is designed to come in and make up for buying power that inflation has taken away from them over the last year.

We know, for example, that, if somebody is getting a modest Social Security payment, which they have paid for and which they have earned by their work history, inflation takes away some of the buying power of that money. We have built in an adjustment the next year to come in and replace that lost buying power so that the per-

son is not sliding backward, sliding either into poverty or sliding toward poverty.

So the cost-of-living adjustment does not provide any extra buying power. It is there to replace buying power that has been taken away by inflation, just to hold the senior citizen even with inflation so that their benefits are preserved in real terms so that they can pay their bills and meet their basic living expenses.

The design of this program is very diabolical because it wants to come in and shave down the cost-of-living increase for senior citizens and keep it in place each year for 5 years so it is a piling-up effect. But then the effort is to take and use the money that, in effect, will not be spent on the cost-of-living adjustment on Social Security and have that available for other purposes totally unrelated to Social Security.

So, in effect, it is squeezing down the seniors in order to have that money, in a budget sense, available to pay for other things that have nothing to do with Social Security and are outside the Social Security system.

A related aspect of this that makes it even more troubling, and I think unfair and just misconceived, is the fact that the Social Security system today is running a big surplus. That is not what is causing our Federal deficit. In fact, we will add just this year to the Social Security surplus for retirement benefits, over \$53 billion. In fact, at the end of this year, we will have a total from the addition of this year of surplus, and prior years' surplus, we will have in that fund a surplus of \$350 billion. So that is not causing the Federal deficit.

In fact, we have already acted as a body to take Social Security out of the Federal budget directly so that people cannot try and loot the Social Security system to pay for other things, which is a practice that had gone on around here for many years.

So we have already recognized in our own prior votes and legal actions the need to protect Social Security from exactly this kind of raid. But that is what is being proposed here: To shave down the Social Security benefits in terms of the cost-of-living adjustments year by year and have that money available to put against things that have nothing to do with Social Security.

When people understand this, and I am going to make sure people do understand it because we are not going to have that done to protect some industry in this country—whether it is in the energy area, or to protect some other part of the Federal budget having nothing to do with Social Security—we are not going to tolerate a raid on the Social Security trust fund for that purpose, in effect, a theft of the cost-of-living adjustment that just holds people harmless against inflation.

I know it is very tempting for people to go and get that money especially if

they can do it in a way that is hard to trace. But the cold fact is it is not going to be done without having to be done out here in the cold light of day and with votes on it every inch of the way.

I suspect that when the public understands what is going to be proposed there, they are not going to like it very much, and I think they will have something to say about it. I suspect as well—and this is just a surmise because I do not purport to read his mind on this issue, and he may have already addressed it, but I saw Ross Perot on television this morning. My guess is—just a guess—that if he sees what is happening here, namely that the Social Security fund is being used for purposes other than Social Security by shaving down the benefit structure to bloat the surplus to be able to apply that against other areas of Federal spending, my guess is—and it is just a guess—that he would blow the whistle on that. He would say that the Social Security funds ought to be kept separate and apart and there ought to be no effort made through a budget package or any other way to somehow go in and take something out of the Social Security system and allow it in some fashion to be used in some other part of the Federal budget or to cover as a budget offset some other area of Federal spending. The American people are not going to buy it either because, I repeat, the Social Security system is not what is creating the Federal deficit. That is one of the few funds we have that is in surplus, and the surplus is building up.

Now, just so everybody has it clearly in mind, this proposal places the brunt of spending reductions on senior citizens and on people with disabilities and low-income children and foster care, which is what the entitlement caps would do. The non-Social Security programs would be limited to growth at the rate of inflation plus the population growth but at a declining scale over time.

Now, somebody said earlier, the previous speaker as a matter of fact said something about food stamps and how bad food stamps are: food stamps create a "dependent constituency" were the words used. Not by choice. We have food stamps because people need to eat. You need to eat in this country to stay alive. There are three things you need. You need oxygen; you need water; and you need food. If you do not have a job or you do not have an income, you do not have food. People starve to death.

And it is true in this country right now, we have more people on food stamps than we have ever had in our country. That is because we have a sick economy and not enough jobs. Every time there is an advertisement around the country that a hotel or something is opening up, or a fast food joint is opening up and they indicate they have 20 or 30 jobs—there are not

many of those announcements, frankly, but when they happen—2,000, 3,000 people show up seeking those jobs. There are not enough jobs for our people now.

So if you cannot get a job and you have no income and you have to feed yourself and you have to feed your family, how do you do that in America? You have to turn, unfortunately, either to public or private charity if you cannot find work. And we have millions of people in this country right now who want to work but cannot find work, up and down the talent scale, up and down the professional résumé scale.

So food stamps are a necessity because we do not want people to starve to death in America. It is a pretty basic issue. It is not the question of having a bleeding heart. It is a question of the fact that people need to eat to live. And I daresay, unless there is a Senator here who is on a diet in such a way that they are going to pass up the lunch hour today, every Senator here already has or will shortly meander off to a lunchroom somewhere and have lunch because Senators, just like every other citizen, have to eat periodically during the day, just like everybody in our country.

And so to say, when you have somebody in our society that has been ground down to the point that the only way they are actually able to provide for their nutritional needs, the food they need to live is obtained through food stamps, I think it is a terrible commentary on what is happening in our economic system. I would like to see everybody off food stamps.

Mr. WALLOP. Will the Senator yield for a question?

Mr. RIEGLE. Just very briefly, yes.

Mr. WALLOP. The question that the Senator from Wyoming raised was not that food stamps were a necessity, but that they were a necessity now created by the effects of the Btu tax which will increase by several millions of people those eligible for food stamps, so that these people can have the very basic necessities of which the Senator speaks, and so that they may eat because they have been impoverished by the effects of the Btu tax.

(Ms. MOSELEY-BRAUN assumed the chair.)

Mr. RIEGLE. I appreciate the point the Senator made earlier and the point he makes now, and we can bring up any other issue, such as the Btu tax or anything else that comes into the picture.

I am making a different point. I am making a point about the fact that we have all these people in this country today, every bit as important and as worthy as the Senator and I or anybody else is, who want to live and who want to have some improving aspect to their lives. If they have families, they want to support their families, have their families well cared for, in safe settings, with health care and the basic

things we all want and need for our families.

When you bring it down to food stamps, literally the ability of a person once, twice, three times a day to be able just to have the food they need to stay alive, I guess I react in a sense that that is so basic and so fundamental. I guess I object partly to the notion of a "dependent constituency" because I see a lot of these folks—and I am sure the Senator does as well, a certain number in the State of Wyoming—and I have not found anybody yet in all the time I have been in public life that is on food stamps who does not want to get off food stamps. Most people find it a humiliating circumstance to be reduced to a point where they are in that situation and they want virtually more than anything else to be able to escape from it, have their kids escape from it and get up on a higher economic rung of the ladder so that they are able to provide for themselves without having to go through the process of trying to survive on food stamps.

Mr. WALLOP. If the Senator will yield again briefly.

Mr. RIEGLE. Of course.

Mr. WALLOP. The Senator makes exactly my point. Of course people do not want to be on food stamps. One of the perverse consequences of the Btu tax that has been recognized by the administration in their request for greater funding for food stamps is that there will be an increased number of Americans who will be made dependent upon them by the effects of the Btu tax. I do not quarrel with the Senator that people want to be off food stamps. The question is, Why should we have a tax policy that puts more people on them?

Mr. RIEGLE. I would say to the Senator I think our problem here is that we have a new President, who has been in office about 4 months, who did not create these problems. I think they have been building for many, many years.

I am not even going to take the time right now to try to sort of enter into a debate as to who is more responsible politically, and so forth and so on. We can get off into that subject.

But the fact is America is in serious economic trouble. It has been building up for a long time. You see it in our trade statistics. You see it in a lot of other things. We had a trade deficit in March in excess of \$10 billion for 1 month. In 31 days, we had over \$10 billion drained out of this country through the trade account and over \$5 billion went to Japan. And there is a lot of trade cheating involved in the way Japan plays the game, keeping their market closed and selling oftentimes below cost and through keiretsu, interlocking relationships, here in this country. So there is all kinds of damage being done.

But if you come back to the plan that I have risen to speak about now,

the plan offered by the Senator from Oklahoma, that attacks Social Security in the name of solving our deficit problem, that is just not a fair way to come at it. Our deficit problem is not caused by Social Security.

And to come and take it out of the hides of people on Social Security, who have gone through their work life, who have paid into the system, who now have that as part of the income stream they have to depend upon to survive and maintain some reasonable standard of living for themselves, to come along and say, well, now we are going to reduce your annual cost-of-living adjustment, we are not going to enable you any longer to stay even with inflation, even though we are building up a huge surplus in the Social Security fund, we are going to take that away from the seniors so we do not have to come over here and ask somebody else to chip in and do their fair share of what needs to be done to get this budget in order and get this deficit down.

So it is an effort to protect certain classes of society and certain economic interests by saying, well, let us just come and take it out of the hides of the senior citizens. Let us just scale down that cost-of-living adjustment for those seniors out there and, you know, they will find some way to make do.

I think the cost-of-living adjustment for senior citizens is, if anything, being based on the CIP, many times lower than the actual inflation rate that seniors are experiencing.

With or without the Btu tax, energy costs have been rising, and housing, and costs have been going up in the supplemental health insurance policies for the seniors who try to have those in place. Those have been going up. The Medicare deductibles have been going up. Prescription drug costs have been going up. Food costs have been going up. Clothing costs are going up. Senior citizens today are under tremendous pressure as virtually all American families are who do not have huge amounts of income or assets.

Mr. LOTT. Madam President, will the Senator yield to me so that I may have an opportunity to agree with him on these points?

Mr. RIEGLE. I just yielded to the Senator from Wyoming because I was making reference to what he was saying. Let me do that at the end of my remarks.

Mr. LOTT. Do not forget to yield.

Mr. RIEGLE. I will not forget my friend from Mississippi. I will not want to, I am sure he would remind me if I did want to. But I do not want to.

But in any event, we are in a situation here where the plan being proposed says, look, we realize Social Security is not creating the problem. There is a big surplus in the fund. The fund is getting larger. We know the seniors need the cost-of-living protection because otherwise many will be

sliding back into poverty. But let us take away from them anyway, even though they have paid for it, even though they have worked for it with their earning history. Take it away anyway, and we will have that money. It is several tens of billions of dollars. We will be able to say we have that money to do other things with. We will do other things with that. Maybe we will help the energy industry in certain ways. Maybe we will not have as heavy a tax burden on the business side or high-income individuals. There are a lot of ways you can end up through this budget process we use allowing that so-called saving in Social Security to be applied to other things. That is what is going on here.

The question is, Do you feed the seniors into the meat grinder here in the name of reducing the Federal budget deficit and reducing spending in order to not have to do it somewhere else where the problem is really coming from? That is what is happening.

So that is why we voted on this before. That is why that proposal when it comes is subject to a budget point of order. We took Social Security off budget for the purpose of making it clear that Social Security was not part of the deficit problem but, in fact, is being used to hide the huge size of the deficit.

The real deficit is higher than we say it is because we are using the Social Security surplus to hide the true cost in the deficit. But cutting the benefits and inflating the surplus in Social Security actually leads us away from the truth. It is part of the whole illusion process that we have had going on for too long around here. That is one of the reasons why the last administration from my view was tossed out. It was partly the failure of the economic plan and not enough jobs in the country, but also all of the gimmicks and the misleading treatment of the Federal budget deficit to make it look like it was going down when it was going up. People know it is going up. They want that stopped.

I will conclude very shortly and yield to my friend from Mississippi by saying the seniors of this country through Social Security are not causing the budget problem. And they should not be unfairly targeted as they have been by this new proposal that has been put out by the Senator from Missouri and the Senator from Oklahoma in the name of deficit reduction.

I am all for any plan that they can develop that reduces the deficit. I would like to see one, by the way, that is sort of zeroing in on some of the constituency groups, maybe where they come from, that would have to eat some of the pain of the plan.

But to just try to spread a large part of it on the senior citizens across the country when they have not caused the problem, let me tell you something: It

is not fair. There is no intellectual or logical justification for it, and I do not want there to be anyone under the misapprehension that they are going to get away with it. They did not get away with it in the early eighties when that was tried when Reagan was President. He tried at the height of his power to come in, shave down Social Security, chisel down the benefits at different times. We had a lot of votes around here on that.

I would remind some of my colleagues on the other side of the aisle that there were some Senators that served on that side of the aisle, between 1980 and 1986, that voted for a lot of those Social Security cuts. They are not here anymore. When 1986 came along the ones who were elected in 1980—the first time the people of their States had a chance to replace them which was 6 years later, in 1986—almost to a person they went down the drain. They went down the drain because they had come in to cut Social Security when there was no justification for it in order to try to take care of other problems having nothing to do with Social Security. This is the same thing all over again.

So keep your hands off the Social Security trust fund. I say that to colleagues on both sides of the aisle. Do not come in here with proposals to cut Social Security benefits when the fund is in surplus, and the surplus is growing in order to turn around and provide some help or some relief for somebody else out there that you may happen to feel strongly about, or that may be an important interest in your State.

That is not going to work. You are going to have to find another target besides the seniors, because that is just not going to fly and should not fly. So anybody that has that in mind better be sure they have 60 votes because that is what it's going to take, to have to override a budget point of order which I will offer on the floor if no one else does to be able to take and violate the Budget Act in that fashion and at the same time violate common sense.

Let me yield.

Mr. LOTT. I thank the distinguished Senator for yielding to me, Madam President, for a brief comment and a question.

I certainly agree with the Senator from Michigan that limiting COLA's of Social Security recipients who make over \$600 a month is the wrong approach for dealing with the budget problems we are now confronting. These are people with very limited resources.

The Senator from Michigan is absolutely right. Social Security is not causing the deficit. It is a trust fund. Social Security recipients should not be asked to pay.

So I oppose the proposal that has been put forward by the Senator from Oklahoma and the Senator from Mis-

souri, for that reason primarily. I think they should be commended for their efforts. There are a lot of things they are trying to do that I agree with.

I support their efforts to take out some of the proposed taxes, including the Btu tax. But, I still think they have too many taxes in their proposal. I do think we need to get some control on entitlements and I support their efforts toward that goal. When I say that, I do not include Social Security.

Social Security has a separate trust fund. It was paid into. Recipients worked most all of their life, some are disabled, and many are depending on this to be able to have minimal sustenance.

So I certainly agree with the Senator on his position. I will support him on a point of order on this item if he makes it when this matter comes before us.

I would like to ask the Senator from Michigan—and solicit his support in joining me—to also knock out a provision that is in the Clinton package. It was also in the budget resolution and it would do essentially the same thing as the COLA reduction. It would attack the seniors by increasing taxes on retirees down to \$25,000 for an individual, \$32,000 for a couple. This provision would raise the marginal tax rate on their benefits by 70 percent. It will increase the taxable portion of their benefits from 50 percent to 85 percent. An individual earning \$25,000 is not a wealthy individual. Somebody came up with a harebrained idea—let us raise taxes on senior citizens, Social Security recipients. But, under this proposal, this money would not go to the trust fund.

No. That money would be moved over into the general account to pay for what I do not know—maybe some good things to help pay for Medicare. But, it would be the first time that we allowed taxes to be increased, the trust fund to in effect be attacked, and then used the money to pay for other programs.

I hope the Senator from Michigan will join me in opposing that blatantly unfair proposal also.

Mr. RIEGLE. Madam President, let me say to the Senator that, as a Member of the Finance Committee, which I am, that issue is at the top of my list. It is a complex issue because it is tied together with a lot of other things. I am troubled about it as well. There is another wrinkle, and that is that at any level of taxation, even if that level is to be shifted, what happens to the amount of money that is supposed to be saved? Is that going to slosh on over into the rest of the budget to be spent on other things, or is it to be credited back to the Social Security System, which it should be; if you are going to have a scheme like that, it ought to be credited back over to the system, so that the resources are not leaking away.

So you have, really, kind of a double jeopardy involved there. So I say to the

Senator that he and I share a concern in that area. As a matter of fact, as we speak, I am working on the problem.

Mr. LOTT. \$32 billion is not an insignificant amount of money.

Mr. RIEGLE. Over 5 years; that is right.

Mr. LOTT. We should not have that tax increase at all. I hope the Senator will work very hard in the Finance Committee to knock that out. If he is not successful, I assure him that somebody will try; if not somebody else, I will offer an amendment to knock that totally out when it gets before the Senate, and I will be looking for the Senator's help when we make that effort.

Mr. RIEGLE. I may want to talk to the Senator about what the offset will be. When we knock these things out, we have to pay for them, and I will be interested to see what the offsets will be. We can put our heads together.

I yield the floor.

Mr. MURKOWSKI. Madam President, I think it is interesting to note—

Mr. WALLOP. Will the Senator yield for half a second?

Mr. MURKOWSKI. I yield, without losing my right to the floor.

Mr. WALLOP. Madam President, I want to say this, before both Senators who have just addressed the Senate leave the floor: CBO has done an estimate, and they say that any Social Security recipient who worked his whole life receives about \$650. The cost of the COLA is \$12, \$13 a year, or \$1 per month. The Btu tax will cost that same citizen \$17 a month. I wanted to ask, what ends up being fair?

According to the administration's own figures, if you make \$800 a month, it will cost \$4 extra a month. CBO and the Joint Tax Commission said that a number of Social Security recipients—the largest number of recipients—will have to pay significantly more in the Btu tax than any of the proposals that are out there now. And the Joint Tax Commission, looking at the figures, said that, by far, the most progressive solution on the table today—I do not agree with all of the provisions of the Danforth-Boren proposal, but the most progressive proposition on the table today, especially in terms of seniors—was not the President's proposal but the Danforth-Boren proposal.

THE PRESIDENT'S PROPOSAL

Mr. MURKOWSKI. Madam President, I think it is important to reflect on the discussion that has been taking place on the floor because it represents a sequence; a pattern. To examine that pattern, I think we have to go back to the administration's first proposal before this body, so-called stimulus package. It appealed to emotion. We were called upon to "make a sacrifice" as Americans. Our President asked us to "invest in America" and, clearly, that is a call that should not be taken lightly.

But as a consequence of the extended debate in this body, the American people began to understand what that "sacrifice" and "investment" meant. It was synonymous with increasing debt, because the President's proposal for paying for the stimulus plan was simply to add to the already existing deficit anticipated to be somewhere over \$300 billion. His proposal was no different than working a bum check on a checking account and hoping that somehow, somebody else will cover your bad check.

That is what the American people were asked to do with that stimulus plan—to make an expenditure of \$16 billion, without having any way to pay for it, except by adding to the debt. And the American people have understood that, and they have responded accordingly by saying: Cut spending.

Yet, we have our President coming along with this current message, the budget message, which suggests that he is on a deficit cutting program. But, in reality, his proposal never brings the yearly deficit below \$200 billion. If you extend that proposal over 5 years, what he has done is increase the accumulated debt of this country from \$4.4 to \$5.4 trillion. So in 5 years, by the time we have accomplished his plan, we will have increased our accumulated debt by \$1 trillion.

That is where we are. Make no mistake about it. That is the true reality, if you look at his budget and project where the debt is at the end of 5 years; it goes from \$4.4 to \$5.4 trillion. One-seventh of our current budget is interest on the debt. There is not one significant effort to cut real spending, except by cutting defense and laying off soldiers.

These are the hard, cold facts, Madam President. The next issue that has been discussed here on the floor this morning is the issue before the House, budget reconciliation legislation, and, more particularly, the proposed \$72 billion Btu tax.

That tax is a charade, Madam President. The tax will not generate \$72 billion in new revenues even if it passes. Do you know why? Because deals have been made at the White House, and deals have been made at the Treasury Department, reducing or eliminating certain industries that ordinarily would be taxed. If you are in the gas business, and if you are injecting gas to recover oil, you probably got an exemption. Exemptions have been granted in the petrochemical industries.

So we have seen a series of efforts made by well-meaning special interest groups to get excluded from the application of the Btu tax. Clearly, the stimulus plan and the Btu tax were not too well thought out.

Rather curiously, if one looks at the Btu tax, he finds that there was a proposal, initially, that 26 cents per million Btu would be applicable on the

production of oil, gas, coal, hydro, and nuclear. That sounds equitable. But then they found they needed some more revenue, so they put a surtax of 34 cents on oil. Basically, that is moving oil into the category of a sin tax. If you are in the Northwest or Northeast, or in my State of Alaska, where it is cold and you need heat, and your only alternative is to burn oil or chop wood, you are penalized. That was the initial proposal.

Then they got some feedback that suggested that the plan put too much of a burden on people who had no other alternative. So they took the surtax off of heating oil. That is the sequence of the manner in which these proposals have been presented to the American people.

What does it do to international competitiveness, to our industries that have to pass on this higher cost of fuel oil? If they are exporting products into the market of the Pacific rim, or European markets, these additional costs due to taxes will not be borne by the competitors; they will only be borne by our side.

What does it do to our airline industry, that is struggling to have to pay an additional tax as a cost of operations? We have already seen the difficulties in our domestic airline system.

Our trucking system. The cost is going to be borne by every single segment of American industry and every single taxpayer. Do you know what the alternative to this is, and what the White House simply will not acknowledge? The alternative is not to raise taxes from energy use, but simply to cut Federal programs that are unneeded. For some reason, that does not seem to permeate the minds of those within the administration.

So what has happened, Madam President, is that we are here today debating a series of issues—stimulus, budget, Btu tax—all of which evidence shows were poorly thought out, poorly presented to the American people, and clearly did not consider the other more obvious alternative of cutting Federal spending, which is what the people of this country want most of all. And that is what the people of this country want.

CIVIL RIGHTS

Mr. MURKOWSKI. Briefly, Madam President, I would like to refer to another item. Earlier today the junior Senator from Washington introduced, with four other Members of this body, legislation to repeal the provision that I worked very hard to include in the Civil Rights Act of 1991 that passed on November 5, 1991. It passed this body by a vote of 73 to 22.

I must say I have the deepest respect for the junior Senator from Washington, but the arguments used in the

opening statement clearly appeal to emotion rather than fact. The suggestion by the Senator from Washington that thousands of people are being denied their civil rights is not accurate, and the reality is that the ex post facto amendment which I offered and, as I indicated, passed this body 73 to 22, provides fair protection against frivolous retroactive litigation without weakening the rights of any workers to initiate lawsuits based on the 1991 Civil Rights Act. No workers of any race have been exempted from the 1991 Civil Rights Act, and certainly many Senators working on civil rights legislation, including, I am pleased to say, the senior Senator from Massachusetts, who supported adoption of the amendment during the consideration of the civil rights bill, could not have supported an amendment that exempted any individual from the protections of the Civil Rights Act.

In 1971, Madam President, Wards Cove, which is a fish cannery in Ketchikan, a community I happened to have grown up in, employed more minority workers in both skilled and unskilled positions than were available in the local population. Despite this fact, Wards Cove was sued for violating laws governing unintentional discrimination because 20 percent of the skilled workers were minorities while 50 percent of the unskilled workers were minorities. Plaintiffs cited separate eating and sleeping facilities as evidence of discrimination even though both arrangements were mandated by the collective bargaining agreement that the local, minority-run union sought and negotiated with Wards Cove. The class action lawsuit against Wards Cove was originally filed in 1974, and since then they have been in and out of the courts some eight times. Every court has found Wards Cove to be not in violation of the antidiscrimination laws.

The amendment that was passed by this body simply protects the Ketchikan cannery from having to go to court yet again to prove the 1991 law is not different in any significant way from the 1971 standard under which the 1970 practices have been judged to be free of discrimination. It is of no use, except to the lawyers who are trying to collect a fee by breathing life into this old lawsuit, to continue to relitigate the situation 20 years ago at this remote cannery location. It is time to focus our energies on protecting the civil rights of people currently working at the cannery as well as other businesses like it.

This is precisely what the 1991 civil rights bill does, and my amendment in no way detracts from that objective. My provision specifically does not prevent any employee, including Wards Cove employees, from suing under the 1991 Civil Rights Act. My amendment, which passed, does not exempt Wards Cove's current hiring and promotion

practices from being judged by the standards of the 1991 Civil Rights Act. My amendment does provide Wards Cove with relief from being forced into court again for the ninth time on an allegation made in 1974, 19 years and \$2 million in legal fees ago.

CHRONOLOGY OF THE WARDS COVE CASES

The 1971 salmon season: Plaintiff argues that Wards Cove violated anti-discrimination laws.

June 27, 1972: Complaint filed with EEOC.

March 20, 1974: Original lawsuit filed in district court, was later dismissed by the district court on technical grounds.

March 31, 1982: Ninth circuit reinstates the lawsuit.

November 4, 1983: District court finds that Wards Cove did not discriminate either intentionally or unintentionally.

The court described the employer's burden of proof and the legal standard in a disparate impact case stating where.

The plaintiff has made out a prima facie case * * * the burden of proof shifts to the defendant to show that the practice is justified by "business necessity."

The court rejected plaintiffs' argument that the existence of a higher percentage of minorities in unskilled jobs proved discrimination. The court's findings of fact state:

The racial composition of [unskilled] workers * * * is predominately nonwhite. That is so because [under the union contract] Local 37 is the primary source of [unskilled] workers and the membership and leadership of Local 37 is predominately Filipino.

The court exonerated Wards Cove of any charge of intentional or unintentional discrimination.

August 16, 1985: Ninth circuit sustained the district court opinion. Ninth circuit interpreted the Griggs Standard to mean that the burden of proof shifted to the employer once the employee established a prima facie case of unintentional discrimination based on disparate impact. And held that Wards Cove met the burden of proof and that the plaintiff's case was without merit.

February 23, 1987: Ninth circuit en banc concurs with the district court that the defendant has the burden of proof in an impact case, and held that disparate impact analysis is applicable to subjective employment practices. The case was sent back to the panel that originally heard the appeal.

September 2, 1987: The ninth circuit panel maintained its position that the employer has the ultimate burden of proof in an impact case. The court cited Griggs in stating: "The employer must demonstrate the 'manifest relationship' between the challenged practice and job performance." The court also stated that statistics alone could be sufficient to support an inference of discrimination and remanded to the lower district court.

June 5, 1989: Supreme Court reversed the appeals court finding that statistics alone could not establish a prima facie case of disparate impact. The Court also ruled that the employer's burden in a disparate impact case is the burden of production, not the burden of persuasion. Remanded to district court.

January 29, 1991: District court determines that Wards Cove hired individuals for the at-issue jobs based upon their qualifications and not upon their race. The court found no reason or basis for altering any of its findings of fact or conclusions of law set forth in the 1983 decision.

Madam President, I ask unanimous consent that a compilation of the tally sheet of the vote taken on November 5, 1991, which passed 73 to 22, be printed in the RECORD.

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

[Rollcall Vote No. 244 Leg.]

YEAS—73

Baucus, Bentsen, Biden, Bond, Boren, Breaux, Bryan, Bumpers, Burns, Byrd, Chafee, Cochran, Cohen, Craig, D'Amato, Danforth, Daschle, Dodd, Dole, Domenici, Durenberger, Exon, Ford, Fowler, Garn, Glenn, Gore, Gorton, Graham, Gramm, Grassley, Hatfield, Heflin, Helms, Hollings, Jeffords, Johnston, Kassebaum, Kasten, Kennedy, Kerry, Kohl, Levin, Lieberman, Lott, Lugar, Mack, McCain, McConnell, Metzenbaum, Mitchell, Moynihan, Murkowski, Nunn, Packwood, Pell, Pressler, Pryor, Reid, Riegle, Rockefeller, Roth, Rudman, Sasser, Seymour, Shelby, Simpson, Specter, Stevens, Symms, Thurmond, Wallop, Warner.

NAYS—22

Adams, Akaka, Bingaman, Bradley, Brown, Burdick, Coats, Conrad, DeConcini, Dixon, Harkin, Inouye, Lautenberg, Leahy, Mikulski, Nickles, Robb, Sanford, Sarbanes, Simon, Smith, Wellstone.

NOT VOTING—5

Cranston, Hatch, Kerrey, Wirth, Wofford.
So the resolution (S. Res. 214) as amended, was agreed to.

Mr. MURKOWSKI. Madam President, I encourage my colleagues to refrain from signing on to the proposed bill by the Senator from Washington until they have viewed the merits of this case. Everybody wants to stand up for civil rights, but this is not an issue of whether or not people's civil rights are protected; every court that has looked at the facts in the Wards Cove case has found no discrimination. It's a matter of wrongful retroactive application of law. So far, six Federal circuit courts have ruled that the 1991 civil rights law does not apply retroactively. The Supreme Court has agreed to review two of those findings.

I encourage my colleagues to refrain from signing on to the bill introduced earlier today; wait to see what the Supreme Court rules, and judge this legislation by the facts, not the feelings.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

THE BTU TAX

Mr. LOTT, Madam President, I do want to make clear again one of the things I said a while ago about the distinguished Senator from Oklahoma, Senator BOREN, and Senator DANFORTH, from Missouri, and others, for the efforts they are making. They are trying to find an alternative that is an improvement over the Clinton tax package, and I commend them for it. I do not think they are there yet. I want them to keep working.

I understand the Senator from Oklahoma will be here in a few minutes to, in effect, defend himself on some of the questions that have been raised about his package. I want to join him in sending a message to the colleagues in the other body that will be voting on this tax issue today. I want to caution them, in fact warn them, that, yes, they are walking the plank to no avail. Yes, they are going to be voting to raise their constituents' taxes in many ways, specifically on this Btu energy tax, and they can rest assured the Senate is not going to do that.

So I say to my old buddies from the other body that I served with for 16 years, where I had the pleasure of being the whip and counting votes, get ready because you are going out there and we are going to leave you out there. Go ahead and count. The Senate is not going to buy this deal for a lot of reasons.

One of the reasons is because of the impact on seniors that the distinguished Senator from Michigan was talking about. Senior citizens, like my blessed mother in Pascagoula, MS, are going to be hit by this tax package that the House is going to be voting on today and the Senate is going to be voting on some time in June. Thank goodness we are going to get home next week and listen to the folks from the States of Illinois, Missouri, Kansas, and Mississippi. They are going to say, "You people are out of your mind in what you are doing."

Let me tell what this tax bill will do to my mother. She will probably have to pay higher Social Security taxes to get this \$32 billion they are talking about taking from seniors—and not to put in the trust fund; oh, no, we are going to move it over here. We are going to spend it in the deep, dark black home of the general Treasury. It will be gone, never to be seen again. We will be taking it from the seniors.

But that is not the end. That is just the beginning. My mother's utility bill will go up, because the Mississippi Power Co. produces utility energy with coal, as do the other utility companies in Mississippi. They are going to charge more. Do you think they are going to eat this tax increase? No, sir;

they are going to pass it on to the senior citizens in the form of higher utility bills and gasoline. These people still have to drive to the grocery store and stand in line and pay for the gasoline for their old, used, beat-up cars.

This is insanity to talk about raising taxes on the working people of America again and on the senior citizens. They are going to feel this impact disproportionately. It is not fair.

I do not understand what happens between Jackson Hole, WY, and Jackson, MS, and when we get to Washington. When I go home, nobody comes up to me and says, "Hey, raise taxes and spend more money." And that is what President Clinton has said he wants to do. He wants to raise taxes so he can spend more. He said it. It is quoted in the Washington Post. That must be the truth, then.

No; they do not say that. They say, "Do not raise my taxes any more. I own Barnett's Restaurant in Baldwin, MS, and am barely making it. I need to go to the dentist and cannot afford it. Do not put any more regulation or bureaucrats or any more taxes on me. I cannot stand it."

"Cut spending first." Cut spending on—you take your pick. Someone said, "What would you cut spending on?" I am open. I will agree to cut spending on anything and everything except Social Security and the trust funds. They are trust funds. They are not causing the problem.

That is what I hear. Then I get to Washington and hear: Let us get a tax on this and a tax on that." When is someone going to get around in this city to doing something to encourage growth in the economy, encourage people to be able to get off these programs and be able to have a job? What we need to do is have incentives for inner city enterprise zones and targeted tax credits for businessmen and women to create jobs.

When is somebody going to get back to talking about growth in the economy and incentives and not talking about taxes that will hurt the economy and cut jobs and will put more people on these welfare programs that do not want to be there?

This tax package is just wrong; it is not the answer.

Now let me respond to some of the specific questions that people have asked me—very good legitimate questions—about the Btu tax when I have been home and in various meetings.

No. 1, what effect will the Btu tax have on unemployment?

Well, you might get a lot of different figures, but I think there is a lot of agreement it is going to cost jobs. The National Association of Manufacturers and the American Petroleum Institute estimate the loss of 610,000 jobs when this tax is fully implemented. Somebody else might have a different number, but I do not think there is any question it is going to cost us jobs.

What effect will the Btu tax have on the gross national product?

The Department of Energy studies show a significant reduction in GNP. Estimates range from 0.05 to 0.1 percent.

What effect will the Btu tax have on international competitiveness?

A Btu tax increases cost of production, decreases productivity, reduces corporate profits and investment. An energy tax, combined with an increased corporate tax rate—which is in this package also—and future health care tax—which we are looking at—will hurt competitiveness, cost jobs, and will slow growth.

What effect will the Btu tax have on American productivity?

Numerous studies from a lot of different groups show a direct relationship between energy costs and productivity. American productivity has made tremendous gains in the past 2 years. It is now higher than any time over the past 20 years. So this tax will reverse those gains that we are making.

Now let me give just one other example here—and I know other colleagues want to speak, but I want to bring it down home for a few minutes, to what this really does to people on the street. I want to illustrate why I so strongly oppose this Btu tax.

I oppose it because of what it is going to do to our country, to our economy, but also because of what it is going to do to Yazoo City, MS. So I ask you to listen as I tell you about the town of Yazoo City, MS.

This is a small town which has produced many of our State's most famous citizens. It is the home of Jerry Clower, the great country comedian; Willie Morris, the well-known southern writer; Mike Espy, the new Secretary of Agriculture; and Haley Barbour, the new chairman of the Republic National Committee. They are all from Yazoo City, MS. Maybe there is something in the water there in the Yazoo River.

The town is nestled in the hills which mark the beginning of the Mississippi Delta and is known as the Gateway to the Delta.

The county is roughly the size of Rhode Island. The city population is 12,500, and the total county population is approximately 25,000 people. The per-capita income—now, listen to this—of Yazoo City is \$7,399, or only 45 percent of the national average.

Its economy is dependent upon agriculture, the production of agrichemicals and fertilizers, small manufacturers, and forest products. Every single aspect of Yazoo City's and Yazoo County's economy is energy intensive.

We are not talking about the big industrial giants. There is no such thing in that area.

We must ask ourselves—every Senator must ask this question—what is

the impact on my communities? So what is the impact of the Btu tax on Yazoo City, MS?

Here it is. Let us look at Mississippi Chemical. It is the largest employer in Yazoo City, employing approximately 570 people.

It produces, on an annual basis, 720,000 tons of ammonium nitrate, 522,000 tons of nitrogen solutions, and 500,000 tons of anhydrous ammonia.

Mississippi Chemical estimates the Btu tax will increase the cost of each ton by \$6 to \$9. Mississippi Chemical's total cost of production will increase by between \$10.4 million and \$15.7 million. That will mean lost jobs, lost markets, and lost wages.

It will hurt the local economy and it will cost jobs. That is why I worry about the effect of the Btu tax on Mississippi Chemical.

Mr. BURNS. Will the Senator yield on that point?

Mr. LOTT. I am glad to yield to the Senator.

Mr. BURNS. Madam President, the Senator from Mississippi hits the nail on the head. And while he has some information to put in the RECORD, the Guest Observer in Roll Call, written by Bob Eckhardt, who was a Democratic Congressman from Texas, makes the point very well on this particular tax: That this will be hurting the very people that we are trying to help, and that is our poorer families.

If you figure the percentage of the Btu tax that people pay of their incomes, the poorer people in this country now pay over 22 percent for energy. If you want to get very parochial about that, in my State of Montana, where we have a longer winter and it is colder and a \$200 fuel bill is not uncommon, we are absolutely taking money right out of their pockets and sending it to Washington and doing whatever we ever do with it.

Mr. LOTT. Will this tax hurt Missoula, MT?

Mr. BURNS. Very much.

So I say to the Senator from Mississippi he is right on target.

And I will submit that article for the RECORD when it comes my turn.

But he is right on target when he says this is going to hurt the people that we are trying to help. It is misguided.

I thank the Senator.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. LOTT. Thank you again, Madam President.

To continue, the cost will also increase in a number of other areas. Mississippi Chemical will be forced to pass what costs it can on to the farmer in Yazoo City. The former's cost of production will increase. That farmer, who is already paying higher fuel costs as a result of the Btu, gets a double hit. What happens next? The farmer will have to pass it on to his customers, or

else he will have to absorb the cost himself. If he passes it on, it gets in the food chain, resulting in higher food costs, for the consumer, higher inflation, and it continues to go on.

What happens to the rates that citizens in Yazoo City and the County must pay? Yazoo Valley Electric and the Public Service Commission, which serves the town and region, will be forced to increase the rates an average of 5 percent, for a total of approximately \$1 million to accommodate the Btu tax.

What will the tax do to the taxpayer in terms of increased costs to the Government? Well, a new Federal correctional facility will be constructed in Yazoo County. I worked with former Congressman Mike Epsy in helping to get that correctional facility to be located in Yazoo County, MS. It will be fully operational in 1996, just in time—just in time—for the new Btu tax to be fully implemented.

Using power requirements for the Yazoo City Federal Prison, as provided by the Bureau of Prisons, the Btu will increase its cost of providing energy to the prison by an annual amount of \$113,200.

Guess who will get the bill? The taxpayer. It adds to the cost of maintaining prisoners in Yazoo City and other places all across the country. The facility will house 3,800 prisoners. The Btu will increase the cost to the taxpayer of each prisoner by \$30 a year.

And so the list goes on, Madam President.

Is this Btu tax regressive in Yazoo City? Again the per capita income in Yazoo City is \$7,399. For Mississippi, the average per capita income is \$9,648. Yazoo City is substantially below the Mississippi average; both are significantly below the national average.

This is the type of tax that hits the poor, rural, and agricultural communities the hardest.

The President says he will expand the Low-Income Home Energy Assistance Program [LIHEAP] to address the regressivity. But let's examine that.

In Yazoo City, if LIHEAP is fully funded as the President requests, it will only cover 10 percent of the households eligible. Or, in other words, 90 percent of those eligible will not receive any assistance to make up for the harm of the Btu tax.

At the conclusion of my statement I will list the companies in and around Yazoo City which will each be adversely affected by this tax. Jobs will be lost, costs will increase, and inflation will rise. As you walk through this town, I want everyone to know what will happen in Yazoo City and the towns just like it around this country if a Btu tax is passed.

It will harm the economy of Yazoo City just as it will harm the Nation's economy. It will not reach any of the objectives put forth. The deficit will

not be reduced—the anticipated revenues will only pay for new spending. It will not reduce U.S. dependence on imported oil—dependence will increase, domestic production will continue to decline. The economy will contract, not expand. Jobs will be lost not created. Competitiveness will suffer and inflation will rise.

For Yazoo City and for the Nation, I urge my colleagues to oppose the Btu tax.

I ask unanimous consent to have printed in the RECORD at this point a list of the companies in Yazoo County, MS, that would be impacted by this tax and what they do, and some of the costs that they will have to absorb.

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

EXISTING MANUFACTURERS LIST, YAZOO COUNTY, MS

AMCO Manufacturing, Inc. Cecil Lee, Plant Superintendent. Employees: Total 22. Product/Service: Disk harrows, bedding equipment & power ditchers, terrace construction equipment, metal fabrication, custom.

Anderson-River Oak. Donald R. Bohannon, President; C. Pat Ramsay, Vice President & General Manager; Larry Kitchens, Vice President & General Manager. Employees: Total 100. Product/Service: Drum debarker, chips, kiln-dried foreign & domestic woods.

Apac, MS. B.A. Atkins, President; David Barton, President Southern Division. Product/Service: Asphalt, paving contractors.

Architectural Millworks Ind., Inc. Melanie Kitchens; Dewey Hood. Product/Service: Custom cabinets, molding, trim.

Barry Barnes Lumber Co., Inc. Barry Barnes, President. Employees: Total 55. Product/Service: Hardwood lumber (red & white oak, ash, hackberry, etc.), hardwood lumber (cypress, poplar, maple, cherry, etc.), lumber, hardwood & softwood (rough, sawed & planed), rough & semifinished timber & ties, kiln drying of lumber, hardwood flooring, hardwood paneling.

C-G Industries dba Marting Manufacturing. Cecil Cartwright, President. Employees: Total 11. Product/Service: Aluminum fishing, commercial & chemical boats, hog & cattle feeders, hog & cattle scales, farrowing crates & handling equipment, hog & cattle waterers.

Carroll Gin Co. Joe S. Stoner, Sr., President. Product/Service: Cotton gins.

Carson Printing & Office Supplies, Inc. R.B. Carson, Sr., Owner. Employees: Total 3. Product/Service: Commercial printing-offset (stationery, cards & forms), commercial printing-letterpress (newsletters, posters, etc.).

C'est Bon Millworks. Billy Brewer, Shop Foreman. Employees: Total 3. Product/Service: Customs cabinets, molding, trim.

Crabtree Manufacturing. Jimmy Crabtree, Owner. Employees: Total 19. Product/Service: Machine shop welding repair.

Environmental Solutions, Inc. Alan Ramsay, President. Employees: Total 13. Product/Service: Equipment-extract silver from x-rays & photographic solutions.

Helena Chemical, Inc. Charles Johnson, Branch Manager; John E. Book, Fertilizer Manager. Employees: Total 9. Product/Service: Fluid suspension fertilizer.

W.S. "Red" Hancock, Inc. Raiford Hancock, President. Product/Service: Construction-oil field equipment.

Greg Harkins Chairs. Greg Harkins, Owner. Employees: Total 1. Product/Service: Rocking chairs, hand-made (oak & walnut), rocking chairs, large-size (double, nannie & children's), straight chairs, stools & benches.

Holly Bluff Gin Co. John Phillips; F.H. Coghlan. Product/Service: Cotton gins.

Jim King Welding. Jim King, President. Employees: Total 1. Product/Service: Welding.

Linwood Gin Co., Inc. Harrison Moore, President; Bill Parker, Manager. Employees: Total 40. Product/Service: Cotton gins.

Memphis Hardwood Flooring Co. Gene Gouch, Plant Manager. Employees: Total 58. Product/Service: Hardwood lumber.

Midway Gin of Yazoo County. Harris Swayze, President. Employees: Total 57. Product/Service: Cotton gins.

Mijo Lithographing Co., Inc. Burke Jones, President. Employees: Total 6. Product/Service: Business forms, commercial printing.

Mississippi Chemical Corp. Tom Parry, President. Employees: Total 570. Product/Service: Ammonium nitrate, urea, nitrogen solutions anhydrous ammonia, liquid carbon dioxide.

Nitrous Oxide Corp. Wardell Walton, Superintendent. Employees: Total 5. Product/Service: Nitrous oxide.

The Printing Shop. Stanley Simpson, President; Richard Sanders, Manager. Employees: Total 2. Product/Service: Commercial printing.

Satartia Gin Co., Inc. James Cresswell, General Manager. Product/Service: Cotton gin.

Simmons Farm-Raised Catfish. Harry Simmons, Jr., President; Hardy White, Jr., Plant Manager. Employees: Total 90. Product/Service: Fresh & frozen catfish (fillets, whole, nuggets & steaks).

Southern Bag Corp. Rick Markell, President. Employees: Total 200. Product/Service: Multiwall paper bags, stepped-end paper bags.

Spencer Ready Mix. Jack Spencer, President. Employees: Total 11. Product/Service: Concrete.

Strickland Pallet Co. Sam Strickland & Mable Strickland, Owners. Employees: Total 5. Product/Service: Pallets, wood.

Warren Pallet Co. C.L. (Pee) Warren, Owner; Esther H. Warren, Owner. Employees: Total 7. Product/Service: Pallets, wood.

The Yazoo Herald. Roy Thomas, General Manager. Employees: Total 10. Product/Service: Newspaper.

Yazoo Industries, Inc. Larry Loughman, President; Joey Ledlow, Plant Manager. Employees: Total 350. Product/Service: Wire harnesses for automobiles.

Mr. LOTT. Madam President, in recognition of others who want to speak here on the floor, I will conclude. I wanted to cite this example of a real world impact. There will be a dramatic increase in taxes on people in this rural county in Mississippi. This story can be repeated hundreds and thousands of times all across America. This Btu tax should be defeated.

When this piece is pulled out, this whole package will be pulled down. Maybe then we can get busy and serious about really talking about incentives to create jobs and controlling spending.

I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Madam President, I thank the Chair.

I just want to follow up a little bit on what my colleague from Mississippi has said.

As agriculture is his basis, his financial basis and economic basis in Mississippi, it is true in Montana.

It is the single largest industry in my State. We have to be mobile. We are 148,000 square miles. We have a lot of dirt between light bulbs. We have to be mobile if we are going to be efficient. So it hits us especially hard.

Madam President, I ask unanimous consent at this time to have printed in the RECORD the Guest Observer by former Congressman Bob Eckhardt from Texas.

The point he is trying to make is the poorest 20 percent of Americans will spend 22 percent of their income on energy costs. And I daresay that it would have an even bigger impact on my people, if we want to be very parochial, in Montana.

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

[From the Roll Call, May 24, 1993]

GUEST OBSERVER

(By Bob Eckhardt)

CLINTON'S BTU TAX WOULD BE HARDEST ON POOR FAMILIES

The proposed energy tax is the worst kind of sales tax. It is both regressive and hidden. Legislation worthy of support must pass two basic tests. First, it must have admirable objectives that can reasonably be achieved, and second, it must be imposed fairly and equitably.

The Btu tax is aimed at reducing the federal deficit and conserving energy. But the tax bill will not achieve its objectives, and it is anything but equitable.

The tax penalizes lower- and middle-income families, hurts schools and hospitals, increases our dependence on foreign fuel, and hobbles businesses critical to furthering America's recovery.

The bill would tax the Btu—British thermal units, which measure heat content—of coal, gasoline, oil, natural gas, and hydro and nuclear electricity. The end result will be higher costs on virtually all products. The question is, who will pay the bill?

We all will pay but, as is too often the case, those who can least afford it will pay more. Lower- and middle-income families—of which the elderly and minorities are major segments—will pay a higher percentage than will upper-income families. In my home state of Texas, this means a disproportionate number of Mexican-Americans in the Rio Grande area and African-Americans residing on the border of Louisiana will suffer from this regressive tax.

According to the Bureau of Labor Statistics, in 1991, the middle class spent 7 percent of its after-tax income on energy needs, including electricity, heating oil, gasoline, and natural gas. At the same time, the poorest one-fifth of American families paid an average of 22 percent of their income to cover the same energy costs, while the wealthiest one-fifth paid 4 percent of their income on energy needs. The Btu bill will exacerbate this imbalance. This is neither right nor fair.

Is it right or fair to impose a tax that will impede the abilities of our schools and hos-

pitals to perform effectively? While consumers may be able to cut back on home energy use to limit the effects of the Btu tax, schools and hospitals—now already more financially strapped than ever—cannot. Heating, air-conditioning, and lighting are critical budget items of both institutions, as is bus service for our schools. The Btu tax will increase the cost of each of these necessities, forcing schools and hospitals to make unreasonable cutbacks in education and health care delivery.

Nor is it wise to impose a tax that will continue our reliance on foreign fuel. The Administration claims that the Btu tax will lessen our dependence on imported oil, but this is highly unlikely. Common sense dictates that when you discourage discovery of fossil fuel in the US, you discourage production and, thus, place a greater reliance on foreign fuel.

Today, almost 50 percent of the oil used in the US is foreign. Within ten years, foreign oil will comprise well over half of all oil-based energy used in the US. Why, then, should we add a special burden to our oil and gas industries when production is at record lows?

Lastly, the Btu tax bill offers the potential to rob many Americans of jobs. Energy-intensive industries—such as agriculture, mining, manufacturing, and construction—will be hardest hit by the Btu tax. Some businesses will be able to pass on their new Btu tax costs to customers. But many more will not. Add to this the fact that foreign companies will be exempt from paying the Btu tax on their imported goods, putting US companies at a severe disadvantage, especially in highly competitive industries.

I strongly favor President Clinton's program of stimulating the economy by adding jobs in the public sector to improve the infrastructure—which has been sadly neglected in the past dozen years—by repairing roads and bridges, providing water and sanitary facilities, and supplementing the availability of nurses and other personnel in the cities.

But I know that there will be enormous loss of employment if the oil-related energy facilities in Texas are curtailed. Professor Jared E. Hazleton of Texas A&M University estimates that the Btu tax will lead to 54,500 jobs lost in Texas by 1998. These are productive, permanent jobs in the private sector. I doubt there will be that number produced through President Clinton's program of stimulating jobs that are not necessarily productive nor permanent.

If President Clinton favors his jobs program and the Btu tax, this would be no better than a wash at very best.

I have spent 22 years of my active life in the Texas legislature and Congress trying to lower oil prices when I thought them to be too high. But I am not about to advocate higher energy prices by raising them through a Btu tax.

Mr. BURNS. I realize the President has proposed an earned income tax credit that would partially offset some of these costs. This was not done willy-nilly. But let us examine who benefits from it: Poor working parents with children—who should. That is all well and good. It is well deserved. They should.

But let us look at who is not included: Low-income single people, childless couples, and senior citizens. I think the Senator from Mississippi brought that to light.

It is easy to calculate on these utility bills but let us face it, to the American people this is probably the most inflationary tax we can pass. I have often said, out West, the American people buy things. They buy things because they are necessary to their life. They buy things that add to the quality of their life.

Things are made of stuff, and we produce a lot of stuff in the West. It takes energy to produce it, to turn that raw material into a product. Every phase of that, from the growing of a raw product, to its transportation, to its manufacture, to its marketing—in every phase, energy enters into the picture. This is the most inflationary thing we can do to our people, this tax. It cannot be taken lightly. I had a mine close in Troy, MT. It cost over 300 jobs.

This puts people out of work. The direct effect on those families is bad enough, but the ripple effect it has across the Nation is tremendous. We are talking about 1,500 jobs directly lost to the State of Montana if this energy tax goes in. We are talking about a coal trust fund that would be devastated because not only are we an energy user, we are an energy producer. We are the Saudi Arabia of coal, when it comes to producing energy for this great country. I know the Chair understands that because some of our coal produces power for where she is from. And she understands that. We have to keep this coal where it is economically viable.

All the way through this we can see what it does. When you talk about nationally 400,000 jobs lost, what do we do, put 400,000 people on the Government rolls? If we talked about the jobs lost in the energy industry today, especially in the oil and gas fields, we would be alarmed at the jobs that have been lost since 1985. The Senator from Oklahoma understands that, the jobs lost, what we have done to the energy industry. Most of it has been caused by ill-advised and ill-fated Government policy.

So the energy tax is regressive because it eliminates jobs, it raises prices, it fuels inflation, and it weakens the competitiveness of this U.S. economy. It also sets us folks who are remote from the rest of the country—it guarantees we will stay remote from the rest of the country. I do not think we want that.

The Btu tax is unfair, especially unfair to the West, and especially to the States that produce energy and also are high energy users.

Madam President, I thank the Chair. The PRESIDING OFFICER. The Senator from Utah.

THE BTU TAX

Mr. HATCH. Madam President, I congratulate the Senator from Montana

and my colleague from Mississippi and the others speaking on this issue. It is really important. When we start talking about rural States, like my home State of Utah, I can tell you right now if the Btu tax goes through, we have two counties in Utah that are primarily coal-producing counties. If that tax goes through, I have to tell you we are going to lose all kinds of jobs.

It is discriminatory against better coal. In Utah we produce high-moisture low-sulfur high-Btu-content coal. Compared to coal in other sections of the country, ours is going to be taxed at a much higher rate than that of other sections of the country. It is discriminatory and it is going to cost us hundreds of jobs in these small counties where coal mining is basically the way of life.

In addition to that, I look at it from an agricultural standpoint. You are going to find instead of it being \$204 a year additional costs, or \$17 per month per family, which is what the President originally said, it certainly is going to be somewhere between \$600 to \$3,500 extra cost per farmer. They simply cannot pass these cuts on to the consumers. They just do not have the capacity to do that. So it means just more added hardship on the backs of farmers all over America.

If you add it on further you are going to find the Btu tax is going to add 5 to 10 percent in cost of almost every good, product, and service in America. It is an inflationary tax. It really does not do what it should do. In the end it is going to cost us hundreds of thousands of jobs, and the amount of money they anticipate they will get in revenue from it just is not going to be there.

You would think we would learn after we passed the luxury tax, which I voted against. You would think we would learn. They passed it saying we are going to get all this revenue from the tax on boats and cars and furs and jewelry, and in the end we actually lost money, people lost jobs, and whole industries were bankrupt.

We have to understand around here, the power to tax is the power to destroy. Frankly, this particular program of our President, though well-intentioned, is long on taxes and very short on deficit reduction. Over a 5-year period you are going to find \$5 in tax increases for every \$1 in spending reductions. That just is not the way to go to try to get the deficit under control. I am very concerned because I think our country cannot continue to have this type of phony approach to our budgetary problems. Worst of all, such deficit reductions as they are, by and large will be in outyears, which will never occur.

So it is a sad game being played on the American people. I believe the President is sincere. I think he wants to do what is right. I think he really does want to reduce Federal spending.

But there is no question he wants to increase taxes as part of trying to reduce the deficit. Yet, day after day, I see new programs here, all well-intentioned, some of them well thought out, but adding more spending programs to the Federal Government mix that makes it much more tough on everybody.

G. FRANK JOKLIK

Mr. HATCH. Madam President, on June 1, a great mining industry leader, G. Frank Joklik, retires as president and chief executive officer of Kennecott Corp. I rise today to salute Mr. Joklik and to thank him for his contributions to the industry and to Utah.

Kennecott is one of the oldest and largest mining companies in the United States, headquartered in Salt Lake City, and one of the premier companies in Utah and in the United States. It has several operations throughout the United States. Many of my colleagues have had the opportunity to meet Frank Joklik during many of his trips to Washington and in recent years at the Senators' Ski Cup in Park City, UT—something he has always supported as a great Utah.

I would like to take a moment to pay tribute to Frank on his retirement. He is truly one of the most outstanding industry leaders I have had the pleasure to know and work with during the past 17 years. He must be given credit for the rejuvenation of one of Utah's greatest resources, the Bingham Canyon Mine, and for ensuring a financially sound Kennecott, which has benefited not only Utah, but our country as well.

The story of Kennecott's turnaround is the story of an unprecedented revival of a traditional industry. At a time when heavy industry is supposedly on the decline in the United States, Kennecott climbed back from the edge of extinction to become a world leader in mining productivity, cost competitiveness, and environmental protection.

When Frank Joklik became president of Kennecott in 1980, its facilities were aging and production costs were high. At that time, the world copper prices began to decline to historic low levels, and Kennecott's future became uncertain.

Between 1980 and 1989, under Frank Joklik's distinguished leadership, Kennecott increased labor productivity fully 3½ times and cut unit costs of copper production by 75 percent in real terms. Kennecott's Bingham Canyon and concentrating facilities were fully modernized, and the Kennecott mine is now one of the lowest-cost copper producers in the world. Culminating its decade long renewal, Kennecott announced on March 11, 1992, a plan to invest \$880 million to build a new copper smelter and modernized copper refin-

ery in Utah. When construction is completed in 1995, Kennecott's Utah copper operation will be the most technologically advanced and cleanest in the world.

The exceptional Bingham Canyon rebody, a productive work force, and the most technologically modern and environmentally sound facilities, ensure that the Utah copper operation is one of the most competitive copper producers in the world. The Utah property, in combination with Kennecott's other mineral interests, have positioned Kennecott to be financially sound and ensure the livelihood of approximately 2,500 high-quality jobs into the next century.

Mr. President, the Salt Lake Tribune printed an editorial last week that briefly summarizes the accomplishments of Frank Joklik as Kennecott's leader during these difficult times. I ask unanimous consent that this editorial be included in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. HATCH. I wish Frank, and his dear wife, Pam, great happiness as he retires from Kennecott. Knowing Frank as I do, I know he will continue to be actively involved in the Salt Lake community. As a matter of fact, he has already agreed to be the new chairman of the Salt Lake City Olympic Bid Organizing Committee, which is heading up Salt Lake City's effort to host the 2002 winter Olympics. He will continue to be a giant in our city and a strong presence in the affairs of our State.

I pay tribute to G. Frank Joklik as an outstanding individual, as a great mining industry leader, as a servant to the local community, and as one of my true friends.

He is a great man. His wife is a great woman. They both have given a great deal to our great State and to our great city of Salt Lake City. I just want to personally pay this tribute to them at this time, since he retires next Tuesday, and just say my very best to both of them.

I thank the Chair and yield the floor.

EXHIBIT 1

[From the Salt Lake Tribune, May 23, 1993]

THE MAN WHO REBUILT KENNECOTT

Though their accomplishments were separated by nearly a century, the names of Daniel C. Jackling and G. Frank Joklik deserve mention in the same breath. The former began open cut copper mining in Bingham Canyon in 1906, and the latter saved that operation from ruin in the 1980s.

So, when Kennecott Corp. announced earlier this year that Mr. Joklik would retire June 1 as the company's president and chief executive officer, observers of Utah business were quick to praise him as the savior of one of the state's most prominent businesses.

Fro many years, Kennecott was Utah's largest private employer, a titan of the copper industry. But under the heady spell of

American affluence following victory in World War II, management and labor began a dance of death. They enhanced compensation at the expense of plant modernization.

By 1980, when Mr. Joklik took over Kennecott's helm, the Utah copper giant was down for the count. Copper prices were low, production costs high, mining and milling operations antiquated.

The new CEO, an old hand who had joined the firm in 1959, took drastic action. He slashed perquisites and "outplaced" hundreds of managers while maintaining production levels. He oversaw the sale of Utah-based Kennecott to Standard Oil of Ohio and its parent, British Petroleum, persuading the new owners to invest \$400 million in a massive modernization effort.

In painful negotiations, he persuaded labor unions to make major wage and benefit concessions in order to foster the modernization. Employment plummeted. It was a bitter pill for many workers, but the operation survived to continue rewarding jobs for those who were able to remain.

Mr. Joklik supervised a subsequent sale to RTZ of London, one of the largest mining concerns in the world. It, in turn, has begun an \$880 million project to bring a new, state-of-the-art smelter on line in 1995.

In short, Mr. Joklik literally has rebuilt Kennecott. Today's company employs only a fraction of the workers of yesteryear, but it is one of the most efficient copper operations in the world, well placed to compete in the world marketplace.

What could have become another rusty relic of American industrial decline has emerged instead as a success story, and G. Frank Joklik deserves much of the credit.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. BOREN. Madam President, I thank my colleagues for comments that have been made in the last few minutes about the proposed Btu tax. We are getting ready to get back to amendments on the pending bill. Let me plead with my colleagues who have amendments to the pending legislation. We will soon be turning to the amendment of the Senator from Minnesota, Senator WELLSTONE. I hope those who have comments on the Wellstone amendment will come to the floor.

After that, it is my plan we move toward an amendment probably by the Senator from Rhode Island Mr. CHAFEE or the amendment of the Senator from Massachusetts [Mr. KERRY] in relation to public financing of campaigns.

I see the Senator from Kentucky. Let me yield to him briefly before I complete my remarks. I want to appeal to our colleagues who have amendments or comments on pending amendments to come to the floor and to offer those amendments this afternoon so that we can make progress.

Let me yield the floor just a moment to the Senator from Kentucky.

The PRESIDING OFFICER (Mr. GRAHAM). The Senator from Kentucky.

Mr. MCCONNELL. Let me second what my friend from Oklahoma said. It is my understanding Senator CHAFEE will be offering an amendment, I believe sometime shortly. We know that Senator WELLSTONE has his. It was previously laid aside and I believe it has now been modified. Senator KERRY has also indicated he is ready. So I think we are on track.

Mr. BOREN. Mr. President, I thank my colleague from Kentucky. I do hope we will be moving momentarily to the Wellstone amendment and then to the Chafee and Kerry amendments on the pending legislation.

THE BUDGET ALTERNATIVE

Mr. BOREN. Mr. President, let me say briefly, I heard the comments earlier—I was in the cloakroom—made by the Senator from Michigan [Mr. RIEGLE] about the proposed budget alternative, the bipartisan alternative, that I have offered, along with Senator JOHNSTON, on this side of the aisle, and along with Senator COHEN and Senator DANFORTH on the other side of the aisle.

Mr. President, I have to say with all due respect that I think my colleague from Michigan took several of the proposals out of context. He talked solely about the Social Security COLA change for COLA's on amounts above \$600 a month as if it were the only part of the package. This is a favorite tactic of anyone who wants to criticize a package: Let us take part of it; let us not look at the whole of it.

He neglected to talk about the so-called Btu energy tax. I think it is very important that we put the facts about the Btu tax on the table.

Because I happen to be a Senator from the State of Oklahoma, immediately those who do not want to deal with the substance of the argument say, "Oh, the Senator from Oklahoma is against the Btu tax, isn't that a surprise? What is the Btu tax? It is an energy tax. Do they produce oil and gas in Oklahoma? Of course. Well, then, let's close our minds to anything else that the Senator from the State of Oklahoma might have to say because, after all, the Senator from Oklahoma, since he is from a State that produces oil and gas, couldn't possibly have anything to say about the national interest, he couldn't possibly be concerned about what happens to the future of this country."

Let me say, Mr. President, speaking on behalf of my constituents who I think are good, patriotic Americans who do care about the future of this country, we resent that implication because we do feel we have something to say about what is in the national inter-

est. The Btu tax has already been changed. When it started out it was going to be collected at the wellhead from the oil producers. The collection point was then moved. It was moved to the pipelines. Then it was moved, again, to the utilities. Then it was finally moved from the utilities to the consumer. It will be tacked right on to the bill of the consumer.

There are not just consumers in Oklahoma. There are consumers in California. There are consumers in New York. There are consumers in Maine. There are consumers in New York, and there are certainly consumers in Michigan. There is even a cost of energy to the production of automobiles, believe it or not, because you have to run the machines on the assembly line.

Unfortunately, the way the Btu tax is crafted, that additional energy cost, whether it is on the cost of producing chemicals or fertilizers for farmers or automobiles for export to the world marketplace, is not rebatable. That means we are raising the cost of every product produced in this country when we are struggling to save jobs and struggling to fight for market share.

Mr. President, let us be responsible about what we are talking about here. We are not talking about protecting oil companies. We are talking about preserving jobs for Americans, wherever they are. A very reputable study says that 300,000 jobs, at a minimum, are at stake by increasing the price of all of our products in this country into the world marketplace.

So when I talk about needing to make changes to bring back competitiveness in this package, I am not talking about something that is provincial where Oklahoma is concerned. Every State in the Union and every Member of this Senate ought to be concerned about the anticompetitive provisions of this tax bill, which will make it hard to sell any product produced in this country which uses any energy in the production of that product, and that means virtually 100 percent of all products.

Mr. COHEN. Will the Senator yield?

Mr. BOREN. I will be happy to yield.

Mr. COHEN. First for a statement and then an observation.

I have worked with the Senator from Oklahoma for many, many years, and for anyone to suggest that he is motivated simply out of parochial interests, I think, does a great disservice to him. Senator BOREN to my knowledge, is not promoting the oil industry interest, but rather is trying to promote the national interest. The question I have for the Senator from Oklahoma is, under the proposed Btu tax, what is the price of gasoline projected to be at the gas pump?

Mr. BOREN. I beg your pardon.

Mr. COHEN. What are the current projections of the tax that will be registered at the pump for gasoline?

Mr. BOREN. On gasoline, the equivalent is about 8 to 10 cents under the Btu tax.

Mr. COHEN. An 8 to 10 cent increase at the gas pump. What about home heating oil?

Mr. BOREN. I do not have the figure on home heating oil, except that I do have a figure overall, and I was going to cite it in relationship to the Social Security COLA. This was mentioned by the Senator from Michigan. He talked about his great concern for the elderly, and we all have that concern.

When you look at the amount that it will cost the average elderly person to change the COLA on moneys above \$600 a month—and generally we are not here talking about poor people; we protect fully the COLA of the first \$600 a month—the Energy Committee of the Senate staff has done a study. They found that the impact of changing the COLA at the top end, assuming a rather high level of inflation, will be \$48 in a year, whereas the cost for the Btu tax for the average person in a year, average senior citizen, will be \$102 per year for the average senior citizen.

By the way, that is a tax that will keep growing and a burden that will keep growing because the Btu tax is indexed for inflationary increases in the cost of energy. What an irony. You have a tax tied to the price of energy. You then index as it goes up, and, of course, it will go up because of the tax. So then you have another automatic tax increase which further drives up the price of energy, which leads to another automatic tax increase. So no one can begin to tell us what the final burden on the elderly or on manufacturing capacity will be.

Mr. COHEN. My concern has been the so-called Btu tax as such is what I would call a stealth. It is spread throughout the economy so that virtually every single product that the consumer has to purchase will see a higher price. It will be a higher cost for a pair of jeans or a pair of athletic shoes or a piece of clothing or any product put out on the market that in fact as a result produced through energy is going to carry a high pricetag and on one can claim, or bear the blame for that because it is not labeled to be a tax. It is simply an increase in the price.

I think that this is not being honest with the American people. This is in fact a deception on the American people. If we really want to talk about raising the kind of revenues necessary to pay for the present program, then we ought to be very specific about this in terms of what level of taxation they are going to bear.

Mr. MITCHELL. Mr. President, will the Senator yield for a question.

The PRESIDING OFFICER. The Senator has yielded to the Senator from Maine for a question.

Mr. MITCHELL. Will the Senator from Maine yield for a question.

Mr. BOREN. I have the floor. I would be happy to yield.

Mr. MITCHELL. Mr. President, I have just checked the clerk's records and apparently at about 12:15 Senator WALLOP raised the question of the Btu tax, and in the 2 hours since then there have been about eight or nine speakers, none of which had anything to do with this bill.

I wonder if I might inquire as to how long it is intended that this discussion will continue and whether or not we can return to the pending bill.

Any Senator can speak on any subject he wants, but the fact is if we are going to spend all of the day debating matters that are unrelated to the bill—there is no amendment pending with respect to these matters—then when we come to 9, 10, 11 o'clock tonight people will ask me, "Well, gee, why are we staying here tonight? What are we doing on this bill." When I say "Well, we spent all afternoon talking about unrelated matters," this will not satisfy too many Senators.

Mr. COHEN. Will the Senator yield.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor. Does the Senator from Oklahoma yield?

Mr. BOREN. Yes, I yield.

Mr. COHEN. I came to the floor to discuss the Wellstone amendment. That is why I am over here. I did not take part in the debate until I arrived and I heard some comments about the Btu tax. And then I simply wanted to pose a couple of questions. I certainly had no intention of going beyond 3 or 4 minutes. If the Senator from Oklahoma is prepared to move to the Wellstone amendment, let us move to the Wellstone amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I will cease my discussion of this matter. As a matter of fact, the Senator from Michigan came to the floor and made some statements that the Senator from Oklahoma took to be directed at him. In fact, he asked the attention of the Senator from Oklahoma because he said he wished to comment about how I was attacking the elderly, because I am for a bipartisan plan that wants to try to cut the deficit by raising taxes less than we cut spending. And because I believe that the Btu tax also hurts the elderly of this country.

The Senator from Oklahoma has now had an opportunity, or was getting ready to have an opportunity to point out to the Senator from Michigan, who raised this subject and who started this discussion, that the Btu tax will cost the average elderly citizen, according to the Energy Committee study, \$102 a year as opposed to \$48 under the COLA change we propose.

That is all I have to say about the subject. We will get back to the subject at hand. But I do believe that we

should get over this kind of geographical attack upon people because of the States that they happen to represent. There are people from the State of Oklahoma who care just as much about this country as the people from Michigan. I think people in Michigan are patriotic. I will stipulate that. And I think people in Oklahoma are patriotic, too. I think people all across this country want it done in a fair and progressive way where people who are able to bear the burden will bear the greatest part of this burden.

But what we do not need is more partisanship and more geographical division in this country. We need to put aside political bickering and deal with the problem.

Now, the problem we need to deal with is trying to reform the way we have financed political campaigns in this country. And that is what we are trying to get to. I will happily yield my time and not respond further to the Senator from Michigan on this occasion—we will do that in the future—and turn to the Senator from Minnesota, whose amendment is pending on this bill and to which the Senator from Maine [Mr. COHEN] has come over to comment. The amendment of the Senator from Minnesota is the pending business and the Senator from Minnesota is entitled to be recognized to discuss the pending business. I do not intend to discuss other matters further at this point.

Mr. RIEGLE. Will the Senator yield before he yields the floor.

Mr. BOREN. I would prefer to yield to the Senator from Minnesota and let him proceed with his amendment if he wishes to.

Mr. RIEGLE. If the Senator will yield for 1 minute, I just want to respond—

The PRESIDING OFFICER. Does the Senator from Oklahoma yield? The Senator from Oklahoma has the floor.

Mr. RIEGLE. If the Senator will yield just briefly, having made some remarks while I was off the floor.

Mr. BOREN. I yield.

The PRESIDING OFFICER. The Senator from Oklahoma yields for a question from the Senator from Michigan.

Mr. RIEGLE. I thank the Senator. I will not be long. I hope the Senator from Minnesota can wait.

The issue that I was raising before had to do with part of the proposal of the Senator from Oklahoma to reduce the COLA for Social Security recipients while the trust fund is in surplus. And to me that is totally separate and apart from the Btu tax. You could be against the Btu tax. You could have 100 ways to fix it. I do not think the way you fix it is by coming in and targeting the COLA on senior citizens on Social Security when it is not the Social Security trust fund that is creating the budget problem.

That is my point. I think it is unfair. I think that is a defect in the plan and ought to be corrected.

Mr. BOREN. Mr. President, I will not prolong the debate any further. I just would say I think it important for us to craft a plan that is fair, craft a plan that will not be anticompetitive and hurt Americans in the world marketplace and come up with a plan that has enough real spending cuts in it that we can say honestly to the American people, yes, we are asking you for more revenues; you are going to have to sacrifice; you are going to have to pay more taxes but first we are going to prove that we can really get spending out.

That is the way to keep faith with the American people and to get them to, I think, be willing to help us get this deficit down through shared sacrifice.

I will not go back and forth again with the Senator from Michigan. All I would urge is that if this is not a proposal in the way we propose it that he thinks is fair, I hope we can all work together and find other ways and other places in the budget where we can make additional spending cuts and we can draft a package that will have a better balance. Instead of trying to primarily reduce the deficit through taxes, let us try to primarily reduce the deficit through spending cuts. And then I think we will find the American people much more willing to sacrifice in terms of paying some additional taxes at the same time.

So I would really like to return at this point to the amendment of the Senator from Minnesota and let the Senator from Minnesota present his amendment because I believe that we are close to having this amendment worked out. We have the Senator from Massachusetts [Mr. KERRY] here, waiting to offer his amendment to the pending bill, and we also have the Senator from Rhode Island [Mr. CHAFEE] on his way to the floor to offer his amendment.

So if I could, with the possible exception that the Senator from California has, I believe, spoken to the Senator from Minnesota, I would like to get back to the proposal of the Senator from Minnesota.

Mr. MITCHELL addressed the Chair. The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Will the Senator yield.

Mr. BOREN. I will be happy to yield.

Mr. MITCHELL. I might just say something in hopes we can get back to the bill in question. We are going to get to the reconciliation bill. I hope and expect and am confident that we will have a full and vigorous debate on that subject. I hope and I encourage the Senator from Oklahoma and the Senator from Maine to offer their proposal as an amendment. Let us have a debate and let us have a vote on it. Let every Senator stand up and vote whether he or she does or does not favor that proposal.

Let every Senator who has another proposal offer it. Let us debate on that and vote on that. I hope that happens. I encourage that to happen. But in the meantime, I hope we can get back to this bill and get to work on the bill and not bring up matters that have nothing whatsoever to do with this bill.

We are on the sixth day of consideration of this bill. We do not know—there is no end in sight, so far as I can see. There are some members of this Senate who do not want this bill ever to come to a vote and who may still overtly filibuster. We hope that is not the case. But at the very least, it is clear that we are never going to finish this bill if the debate is on other matters.

So I would like to ask if it is possible—obviously, any Senator can say anything he or she wants. I have no inclination to restrict what Senators say. But with respect to the reconciliation bill, and specifically the proposal offered by the Senators from Oklahoma and Maine, I hope we can do that when we get to the reconciliation bill. I encourage them to offer it as an amendment, and I encourage the Senators to vote on it. Any other Senator who has the proposal, I encourage the very same thing.

I thank the Senator from Oklahoma for now suggesting that we get back to the bill in question.

Mr. BOREN. Mr. President, I thank the majority leader. This Senator was quietly eating lunch when this subject was raised and when another Senator asked for the attention of the Senator from Oklahoma to come to answer questions about the Social Security proposals. That is the only reason the Senator responded, as he was asked by a colleague to respond to remarks made on the floor.

Let me inquire of the Senator from Minnesota if he is willing to grant just a brief moment to the Senator from California, to be followed immediately by the Senator from Minnesota, or if he wishes to proceed immediately? After we have disposed of the Wellstone amendment, we can then turn to the Senator from Massachusetts for his amendment.

Mr. WELLSTONE. Mr. President, I say to my colleague from Oklahoma, since I have been waiting a couple of days, I would be pleased to wait few moments.

ORDER OF PROCEDURE

Mr. BOREN. Mr. President, I ask unanimous consent that the Senator from California then be recognized; and then following her comments, proceeding as if in morning business, that the Senator from Minnesota, who has the pending amendment, be recognized to continue discussion of the pending amendment.

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

The PRESIDING OFFICER. The Senator from California, under the previous order, is recognized.

Mrs. FEINSTEIN. Thank you very much, Mr. President, I want to thank the Senators from Oklahoma and Minnesota.

(The remarks of Mrs. FEINSTEIN pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolution.")

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. WELLSTONE. Mr. President, I will try to be brief and see whether or not there is any agreement on my amendment.

First of all, I send a modification to the desk.

The PRESIDING OFFICER. The Senator modifies the amendment.

The amendment (No. 368), as modified, is as follows:

Strike all after "(b) PROHIBITION" and insert the following:

OF CERTAIN CONTRIBUTIONS BY LOBBYISTS.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 314(b), is amended by adding at the end the following new subsection:

"(m)(1) A lobbyist or a political committee controlled by a lobbyist, shall not make contributions to, or solicit contributions for or on behalf of—

"(A) any member of Congress with whom the lobbyist has, during the preceding 12 months, made a lobbying contact; or

"(B) any authorized committee of the President of the United States if, during the preceding 12 months, the lobbyist has made a lobbying contact with a covered executive branch official.

"(2) A lobbyist who, or a lobbyist whose political committee, has made any contribution to, or solicited contributions for or on behalf of, any member of Congress or candidate for Congress (or any authorized committee of the President) shall not, during the 12 months following such contribution or solicitation, make a lobbying contact with such member or candidate who becomes a member of Congress (or a covered executive branch official).

"(3) If a lobbyist advises or otherwise suggests to a client of the lobbyist (including a client that is the lobbyist's regular employer), or to a political committee that is funded or administered by such a client, that the client or political committee should make a contribution to or solicit a contribution for or on behalf of—

"(A) a member of Congress or candidate for Congress, the making or soliciting of such a contribution is prohibited if the lobbyist has made a lobbying contact with the member of Congress within the preceding 12 months; or

"(B) an authorized committee of the President, the making or soliciting of such a contribution shall be unlawful if the lobbyist has made a lobbying contact with a covered executive branch official within the preceding 12 months.

"(4) For purposes of this subsection—

"(A) the term 'covered executive branch official' means the President, Vice-Presi-

dent, any officer or employee of the executive office of the President other than a clerical or secretarial employee, any officer or employee serving in an Executive Level I, II, III, IV, or V position as designated in statute or Executive order, any officer or employee serving in a senior executive service position (as defined in section 3322(a)(2) of title 5, United States Code), any member of the uniformed services whose pay grade is at or in excess of 0-7 under section 201 of title 37, United States Code, and any officer or employee serving in a position of confidential or policy-determining character under schedule C of the excepted service pursuant to regulations implementing section 2103 of title 5, United States Code;

"(B) the term 'lobbyist' means—

"(i) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(ii) a person required under any other law to be registered as a lobbyist (as the term 'lobbyist' may be defined in any such law).

"(C) the term 'lobbying contact'—

"(i) means an oral or written communication with or appearance before a member of Congress or covered executive branch official made by a lobbyist representing an interest of another person with regard to—

"(I) the formulation, modification, or adoption of Federal legislation (including a legislative proposal);

"(II) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy or position of the United States Government; or

"(III) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); but

"(ii) does not include a communication that is—

"(I) made by a public official acting in an official capacity;

"(II) made by a representative of a media organization who is primarily engaged in gathering and disseminating news and information to the public;

"(III) made in a speech, article, publication, or other material that is widely distributed to the public or through the media;

"(IV) a request for an appointment, a request for the status of a Federal action, or another similar ministerial contact, if there is no attempt to influence a member of Congress or covered executive branch official at the time of the contact;

"(V) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act (5 U.S.C. App.);

"(VI) testimony given before a committee, subcommittee, or office of Congress a Federal agency, or submitted for inclusion in the public record of a hearing conducted by the committee, subcommittee, or office;

"(VII) information provided in writing in response to a specific written request from a member of Congress or covered executive branch official;

"(VIII) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of Congress or a Federal agency;

"(IX) made to an agency official with regard to a judicial proceeding, criminal or civil law enforcement inquiry, investigation, or proceeding, or filing required by law;

"(X) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of

title 5, United States Code, or substantially similar provisions;

"(XI) a written comment filed in a public docket and other communication that is made on the record in a public proceeding;

"(XII) a formal petition for agency action, made in writing pursuant to established agency procedures; or

"(XIII) made on behalf of a person with regard to the person's benefits, employment, other personal matters involving only that person, or disclosures pursuant to a whistleblower statute."

"(5) For purposes of this subsection, a lobbyist shall be considered to make a lobbying contact or communication with a member of Congress if the lobbyist makes a lobbying contact or communication with—

"(i) the member of Congress;

"(ii) any person employed in the office of the member of Congress; or

"(iii) any person employed by a committee, joint committee, or leadership office who, to the knowledge of the lobbyist, was employed at the request of or is employed at the pleasure of, reports primarily to, represents, or acts as the agent of the member of Congress."

Mr. WELLSTONE. Mr. President, what this amendment does is straightforward. We have been talking about this amendment for a couple of days in negotiation. It strengthens the provisions of this bill which attempt to sever the connection between lobbying and the giving of money, which is one of the things that I think bothers people in the country most about the political process here.

What we are trying to do—and Senator KERRY has spoken with great eloquence about this—is to bring about a series of reforms which we think will make the political process more open and more accountable, and a political process that people can have more confidence and faith in.

Within this bill, Mr. President, is a provision that says that if a lobbyist makes a contribution to a Senator, then there is a 1-year period of time wherein that lobbyist cannot lobby that Senator. This is rather narrowly constructed. Vice versa, if a lobbyist has been lobbying a Senator, there is a 1-year period of time before that lobbyist can make a contribution to that Senator. That is what we are talking about—a 1-year timeframe to attempt to sever this connection.

What we do in this amendment is strengthen this provision of the bill, I think, in several very helpful ways. First of all, as all of us know who serve in the U.S. Senate, quite often the lobbying is with our staffs, it is not so much with us directly. So what we say is that if a lobbyist has made or solicited a contribution, that 1-year prohibition also applies to the lobbying of our staffs.

Another thing that we do in this amendment, which I think is very helpful and strengthens this provision, is we make it clear that in the case of a Senator who has just been elected, again, if a lobbyist has made a contribution, there will be a prohibition

during this 1-year period of time from the point of the contribution, wherein the lobbyist cannot lobby that Senator.

Finally, we extend the prohibitions in the bill, to prevent a lobbyist from advising a client, or a political committee controlled by that client, to make a contribution if he has lobbied the Member within a year.

So what we do with these changes is to significantly strengthen this provision. We originally had language which was considered by some to be too broad in its application. Several Senators—Senator LEVIN, Senator BOREN, and Senator FORD—suggested ways to really narrow this provision. So we can bring this amendment back in a way which has generated much more support.

Mr. BOREN. If the Senator will yield for a question, I ask my colleague, one of the areas of concern in the beginning was that we were not only here covering lobbyists about contributions that they could or could not make; we were talking about clients and, therefore, possibly that could be deemed to be employees of a corporation. So, for example, if a corporation, or a labor union, or an association, whatever it happened to be, had a lobbyist, we know that under the terms of the bill and under the terms of the amendment, that lobbyist could not make a contribution if that lobbyist was going to lobby a Member or Member's staff, as the amendment of the Senator from Minnesota says, within a certain period of time, and could not solicit contributions for that candidate from their clients.

What worried me was extending that so far that, let us say you have a corporation that has 100,000 employees, or a union that has many members, or an association with many members, would that be deemed to prohibit those other employees of the company, or members of an association, or whatever it happened to be, from making contributions, even though the company for which they worked might have a lobbyist?

Mr. WELLSTONE. No. The Senator's suggestion has been very helpful in this regard. My amendment, as modified, would not prohibit the employees you described from making a contribution.

Mr. BOREN. The lobbyists, however, could not solicit from the CEO of the company, or from an officer of the corporation, or any other employee of the corporation; that lobbyist could not solicit a contribution for Senator X or candidate Y running for the Senate; is that correct?

Mr. WELLSTONE. That is correct.

Mr. BOREN. If I wanted to ask the CEO of a company that might have a lobbyist, or a secretary working for a company that might have a lobbyist, for a contribution, I could do so; but I could not ask the lobbyist to raise money from that corporation?

Mr. WELLSTONE. That is correct. This applies to a situation where the lobbyist has lobbied you, and the lobbyist turns and suggests to, for example, the officers of that company, that they make a contribution. But that does not preclude the Senator from Oklahoma from directly—whether it be a company, union, or an ideological PAC organization, if in fact that kind of money is permitted—making that kind of request. We have received a tremendous amount of help, and we have tried now to narrowly construct this and to essentially build on the provision in the legislation.

Mr. BOREN. I thank the Senator for his comments. I think he has gone a long way toward clearing up the problem I saw in the original amendment. I am very sympathetic, first, to the provisions that the President urged be put in the bill. I think if the public sees a person who is paid to lobby, a well-paid lobbyist, turn around and make a contribution to a Senator or a candidate for the Senate, whose vote they want on a particular piece of legislation or amendment, there is the perception, at least in the minds of the public, or a possibility raised in their minds, that this contribution is being given in return for the Senator or the candidate's position on a particular issue. I think we want to dispel that kind of problem.

The Senator is one to make sure that new Members of Congress are covered, that staffs of Members of Congress are covered, and that there not be the lobbyist also not be in the position to go around and soliciting contribution from others so if he or she cannot give himself or herself the perception that that lobbyist has done a great financial favor in terms of gathering campaign funds for a Member.

I am very much in sympathy to the basic goal of the amendment. I think the modification the Senator made is helpful in terms of making sure when we fire at the abuse we really hit the target and not some unintended consequences. I think this is improved. I would value the comments. I see both the Senator from Michigan and the Senator from Maine who are the Senator from Michigan chair of the Subcommittee on Government Operations, deals with this matter, the Senator from Maine the ranking member. They both have expertise in this area. I know they also may wish to comment. But from the point of view of this Senator at least as an individual I believe the modifications have gone a long way toward reassuring me in terms of the earlier problems he saw in the amendment.

Mr. WELLSTONE. I would very much appreciate the comments of both Senators. As I say, the initial thrust of this amendment was to try and sever this link and build on this prohibition and make it stronger. Even with this modification, I think we still have a

stringent test and we are pleased with the amendment.

Mr. MCCONNELL. May I ask the Senator from Minnesota a question?

The PRESIDING OFFICER. The Senator from Minnesota has the floor and yields to the Senator from Kentucky a minute.

Mr. MCCONNELL. Did the Senator's revised amendment deal with the issue where a challenger has won an election and there is a period between the challenger's election and the swearing in? Is that covered in the Senator's modification?

Mr. WELLSTONE. From the time of the election?

Mr. MCCONNELL. The hypothetical I am driving at is the lobbyist helps raise money for the challenger. Between the time of the challenger's election and swearing in, is that also part of the modification?

Mr. WELLSTONE. The way the modification is crafted it applies from the point of the contribution forward for one year.

Mr. MCCONNELL. I thank the Senator.

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

The PRESIDING OFFICER. The Senator yields to the Senator from Michigan for a question.

Mr. LEVIN. Mr. President, the main difficulty that I have with the amendment that was filed by the Senator from Minnesota was that it was so broad as it would cover small business people, farmers, labor unions, local officials, because if in fact they did any lobbying as part of their duties, they then would be in danger of violating the law if they had made even a \$5 contribution to a beer bust. I do not think that was the intention of the original amendment.

Mr. WELLSTONE. That is right.

Mr. LEVIN. But the language was broad enough so that it probably covers those people.

My understanding of the modification is that the lobbyists that are covered under this are limited to those persons who are required to register under either existing law or who are required to register under any other law which might come into effect that requires persons to register as lobbyists and that those are the only persons that are covered just as those are the only persons covered in the bill that has a provision that the Senator from Minnesota is closing some loopholes on; is that correct?

Mr. WELLSTONE. Mr. President, the Senator from Michigan is absolutely correct, and I thank him for his help in clarifying that point.

Mr. LEVIN. I thank the Senator from Minnesota.

The PRESIDING OFFICER. Does the Senator from Minnesota yield the floor?

Mr. WELLSTONE. Yes.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Mr. President, I was asked to offer some comments about my views on the amendment with, I guess, the thought that somehow I might profess to have some constitutional expertise. I do not. I do not at all make that claim.

But it strikes me that we are coming dangerously close to abridging the first amendment here. Under this amendment, if you contribute to a candidate you lose your right to lobby for a year. You can lobby but you cannot contribute, or you can contribute but you cannot lobby. It seems to me that this amendment is going to present an enormous question for the Supreme Court to examine.

I am not satisfied with the clarification that was just mentioned about lobbyist being defined as someone who is required to register under existing law or who might be required to register under some future law.

I think the Senator from Michigan would concur that under the existing law few are required to register, or if they are in fact required to register, few do. Because there is sufficient ambiguity that exists in the law today, out of the thousands of people who are listed as lobbyists, very few of them in fact register.

It may be that the bill that was sponsored by the Senator from Michigan and myself will become law. We have no way of knowing whether it will or not. But it seems to me that this provision might, in fact, act as some deterrent to the support for our bill.

I am not going to raise a long-winded or serious effort to either defeat this amendment or speak at length on it, but I think we have to go back and reexamine this antipathy that has recently surfaced toward lobbyists. Lobbyists are those paid individuals who act on behalf of a large group of citizens who cannot afford individually to spend the time or the money to come to Washington to lobby or educate Members of Congress about their special interest.

I think we have to admit in this country that we are a collection of special interests. We are a collection of special interests, whether we are talking about farmers who want subsidies for their farm programs, small businessmen and women who would like to have accelerated depreciation for their investments in business equipment, or homeowners, the vast majority of middle-income Americans, who want to maintain their deduction for interest payments on their mortgages. They are all special interests. You can go down through the list of every single special interest and I think in every case you will find that they represent a legitimate point of view for their group.

I think that we are at a point in the history of our politics where suddenly

the word politician has a negative connotation. We like to say public servant. Nonetheless, everything we do in this country is political.

If you are talking about reaching a compromise, "my right to swing my fist," as lawyers like to say, "stops where your nose begins." We have to compromise on the individual action. Some would like to drive a little faster than we are allowed to do. So, we have a 55-miles-an-hour limit that has been extended in some places to 65 miles an hour—a compromise between speed and safety.

Everything we do in life is a compromise, because there is more than one of us on this planet, and when you have more than one person you have to reach some accommodation, be it in a political form, in a marriage, or in any other kind of relationship. There are compromises to be made. So everything we do is a political statement of sorts.

So we hire people to make our arguments and work out our compromises for us, and now we paint them as ogres and as those responsible for polluting the political system. I think there is a danger in all of that.

What we have to insist on is full disclosure, as provided for in the Lobbying Disclosure Act. We want lobbyists to register. We want to know who is paying them how much and for what. The public is entitled and has a right to know that. We demand they know that. But full disclosure, it seems to me, gives the American people an opportunity to draw their own conclusion. If lobbyists contribute to the Senators from Minnesota, Kentucky, Oklahoma, or Maine, and we list those contributions, people can judge whether or not we are acting under the interest of our citizens or acting out of some sort of reciprocity to those who have contributed to us.

I would suggest, Mr. President, that the same notion of this nexus between money and pollution of the political process applies to individuals just as much as it applies to lobbyists. For example, if the president of a company should solicit all of his or her employees to contribute to our campaigns and we raise thousands of dollars as a result, and that president comes to our offices to lobby on behalf of his company's interest, is it any less corrupting than when the President alone has contributed and is in our offices urging us to follow a certain procedure? I think it is very much the same.

I think if we are trying to break the public perception that somehow we have been corrupted by the presence or the influence of lobbyists as such we have to reexamine our entire political process. Maybe we should adopt the position that anyone who contributes to us should not be allowed to urge our support or opposition on any given legislation, because the perception is

somehow that we are responding to that contribution. So the easy thing to do is no more contributions, or if you contribute you cannot come to that Member's office to lobby.

While I do not know if others share the same concern, it seems to be that we are approaching a very dangerous point in our system where we simply put a label, the mark of Cain, upon the brow of those who are hired to represent people—whether it is senior citizen groups or business groups or labor groups or educational groups. If they are paid to urge a particular position or to provide information, they will now be precluded from either having lobbying contact if they make a contribution, or if they make a contribution, they can make no contact.

It seems to me that we are starting down a path which is going to lead us inevitably to a conclusion that anyone who contributes to our campaigns necessarily should be precluded from making their case on their own behalf.

I think most of my colleagues would suggest that that clearly would be a breach of the first amendment. That clearly is intolerable.

I am having a more difficult time distinguishing cases in which, if you are a lobbyist, you can no longer contribute because the connection will be seen as being undue.

I do not think anyone in this Senate would agree that they have been influenced unduly, or that they pay back the lobbyist or contributor with votes.

I have seen people who contribute to individuals because they feel that that individual best reflects their own philosophy of their own State's interest. I say this with as much candor as I can—I do not really feel I have ever been unduly influenced by anyone who has contributed to me.

If the public feels that way, they will have an opportunity to look down the list of my contributors and know that A, B, C, or D company or individual or lobbyist has contributed to my campaign. Then they have my voting record and they can decide: Was I acting in the interest of my State or was I acting out of some parochial interest in exchange for a contribution?

Mr. President, I assume there are the votes here to pass it. Very few would want to be seen as somehow being sympathetic to a lobbyist because they have become the evil and scourge of our system. If we do this, we will have to come to grips with this issue of the connection between people who contribute and people who do not.

I found myself making a case before the Chamber of Commerce some years ago when the issue of campaign contributions and constituent service arose. It came up in connection with the so-called Keating matter.

I raised a hypothetical to this group. If you asked the general public if they were outraged about the Keating matter, they said, yes, indeed.

Let us suppose a small company from Maine contacts my office and they ask me to please contact the IRS because they have been awaiting a decision from the IRS for a period of several years. They would like to sell their company, but they cannot sell until the IRS makes a decision. All they would like me to do would be to simply write a letter or pick up the phone and call the IRS and say, "Please make a decision one way or the other. You can rule against the company or you can rule for it."

I said, "Would you think, as a Senator, that I have an obligation to respond to that constituent's request that I, at least, should ask the agency to move as expeditiously as they can? This matter has been hanging like a Damoclean sword over the head of those individuals in that company."

The answer automatically was, of course, you should urge the IRS or any other agency to make a decision as quickly as possible.

I said fine. Now what happens if the head of that company had contributed to my campaign? Does that make it different now? Has there been a taint applied to the process? Is it improper if some company, or employees of a company, have contributed to my campaign and they then call upon me to make a call to an agency to urge, not a particular position, but simply expeditious action?

Well, that gets a bit more complicated, because the individuals had contributed to my campaign.

If you follow the line of logic, essentially you come to the conclusion that I could only represent or make a phone call on behalf of people who do not contribute to me.

In that situation I would feel that it was imperative that I take at least some nominal action, but I would be fully aware that someone might later argue undue influence.

We are getting to the point, I think where we are walking a very narrow line. But this amendment seems to me to cause that line to become even that much more narrow, as we are trying to trace what is the appropriate course for us to follow in dealing with the first amendment.

Mr. President, I think we are raising some serious constitutional issues as to whether a registered lobbyist can contribute to a Member of Congress and then lobby that Member at any time during the next year.

He or she is faced with a choice: You can lobby but not contribute, or you can contribute but you cannot lobby. I think that raises a serious constitutional question.

As I stated earlier, I do not intend to vigorously oppose the legislation. It seems to me that there is strong sentiment to go forward as rapidly as we can this afternoon. But I daresay we are inviting a constitutional challenge.

I may be wrong on this, but I believe the Court would seriously consider striking it down.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, as always, my good friend from Maine puts his finger on some very critical issues.

One of the issues that he raises has to do with the vagueness of the current lobbying registration laws. And the reference to those laws in the bill creates a problem not because of what is in the bill but because of the vagueness of the lobbying registration law.

He and I are trying very hard to correct that vagueness and to remedy that and to put some teeth into those lobbying disclosure laws. And that is a bill which the Senate passed a few weeks ago.

But that problem, I think, in all fairness, is a problem which is fundamentally in a law referred to by this amendment and by the bill itself, rather than the problem of the bill or the amendment. It does, again, refer to a vague law, but the origin is in the other law, not here; the origin of the problem.

This amendment does not add any problem in that regard, because it is the bill which makes the reference to the registered lobbyist. And this amendment as modified—as modified, I emphasize—is limited to the same people as are in the bill.

It is the bill now which makes the reference. And, although the original amendment broadened the coverage to persons other than registered lobbyists, this amendment, as modified, is restricted to the same people covered by the bill.

So I do not think that that problem is a problem with this amendment, which is really a technical amendment, I think, now to make the bill more coherent and consistent.

Mr. COHEN. My reference to the ambiguity dealt with existing law.

As you and I know, existing law is quite vague on the thousands of lobbyists who register in the public directory but do not file with Federal officials. They fail to file because of the very ambiguity that you and I have worked to clarify. We want them all to be registered and to fully disclose why they are acting, on behalf of whom, and on what issue. We think that is important to maintain the public confidence and integrity of the system.

But that is only one issue involved in this particular discussion we are having.

Mr. LEVIN. That is issue number one. I think that issue, again, is an issue which exists in existing law and in the bill, but not in this amendment.

Mr. COHEN. Right.

Mr. LEVIN. Because this amendment does not expand that group. It uses the exact same group as is in the bill itself.

Mr. COHEN. If my colleague will yield further, what I was suggesting is that currently the law is virtually ineffective. It governs very few in the way of registering.

What I was suggesting is that you might have a countereffect. If you pass this amendment, you may very well have strong objection being raised, saying, we did not have any objection to the Levin-Cohen effort to clarify existing law, but now you are saying you are going to impose a further restriction. It is not simply registering and disclosing, but also contributing and lobbying.

What I am suggesting is the other body might seriously question whether the two pieces of legislation would in fact be self-defeating in terms of trying to get the lobbying disclosure act passed.

Mr. LEVIN. I think the Senator from Maine is correct. It could work that way. It could work the other way. It could give us additional incentive to pass our clarification since we are now putting even more meaning to that, and there are more implications by being registered or not, because of this bill as clarified by this amendment—it could give a greater incentive to pass that bill, since it has that much even greater significance. So it could cut either way in that regard.

My point here mainly is the problems that are raised by my friend from Maine are not really problems with the amendment any more, since it has been modified. But, really, the problem is with the underlying bill, to the extent there is a problem, and with the other law, the registration law that currently exists.

So I would think, as modified, this amendment makes the bill much more coherent. Because all it does is now say, as modified, that it is intended to cover staff as well as Senators. And it is intended to cover new Senators as well as existing Senators. I think that is the heart of this clarification and I would think now, with the modification, it is acceptable to me because it no longer has the broadening effect that the original amendment had.

So I can support the amendment, and I want to congratulate the Senator from Minnesota for seeking this clarification and improvement in the language of the bill.

I yield the floor.

The PRESIDING OFFICER (Mr. REID). The Senator from Florida.

Mr. GRAHAM. Mr. President, will the Senator from Minnesota yield for a question? I ask the Senator from Minnesota or the Senator from Michigan to yield for a question.

Mr. LEVIN. I yield the floor.

Mr. GRAHAM. I have been listening to this debate, Mr. President. First, with the assistance of the floor staff, I was trying to find the definition of lobbyist in S. 3. We were unable to locate it.

If someone could reference the page where the definition of lobbyist appears in S. 3?

But the definition of lobbyist does appear in this amendment. And the definition which begins on page 3 and carries over to page 4 states:

1, a person required to register under section 302 of the Federal Regulation of Lobbying Act—

Et cetera, which is the reference to existing law, "or," and that is in the disjunctive—

or a person required under any other law to be registered as a lobbyist (as the term lobbyist may be defined in any such law).

Is that the definition of lobbyist that is being utilized for the purposes of this amendment?

Mr. WELLSTONE. The Senator is correct.

Mr. GRAHAM. I cannot comment as to what item 1 means without having access to the United States Code. But as to item 2, "a person required under any other law to be registered," does that mean what it says; "any other law"?

Mr. WELLSTONE. The Senator is correct.

Mr. GRAHAM. So if an ordinance of the city of Detroit has a definition of lobbyist, or the Statutes of the State of Florida have a definition of lobbyist, that would also be incorporated as "any other law" which defines what a lobbyist is?

Mr. WELLSTONE. Mr. President, I think I know where the Senator is heading. We could modify this and talk about, "under Federal law," which I think would deal with the Senator's problem. I think the Senator is making a very helpful suggestion.

Mr. GRAHAM. So it is the intention it only apply to Federal definition of lobbyist?

Mr. WELLSTONE. The Senator is absolutely correct.

Mr. GRAHAM. I think we ought to modify it to that effect and then, if we are going to limit it to Federal definitions, why do we not state in the law, rather than by reference now to unidentified Federal laws, what it is we are talking about? Because we are putting some fairly Draconian standards here, in terms of what American citizens and Federal officials—both executive and legislative—can do. I believe we owe to all of those people the greatest degree of clarity as to who is covered.

Mr. WELLSTONE. Mr. President, I will be more than pleased to defer to the Senator from Michigan.

Mr. LEVIN. I believe this language is the same language as appears in the bill. We will check that out.

Mr. GRAHAM. If there is a definition of lobbyist in the bill, I would appreciate a reference to the page where it appears.

Mr. LEVIN. We are looking for that now. We think it says "or any succes-

or law." But we are going to check that out.

This is printed on page 5851 of the RECORD. It is subsection (V), part (8)(B). I do not know—my friend from Florida has the RECORD? Do you have the page, 5851?

Mr. GRAHAM. No, I have S. 3, as it is printed, on the desk.

Mr. LEVIN. The substitute has the following language:

*** a person who is required to register or report its lobbying activities, or a lobbyist whose activities are required to be reported, under section 308 of the Federal Regulation of Lobbying Act *** the Foreign Agents Registration Act of 1938—

And then it says in the substitute— or any successor Federal law requiring a person who is a lobbyist or foreign agent to register or a person to report its lobbying activities—

That is what is already in the substitute. It is my understanding of this amendment, and I specifically asked the sponsor of the amendment, is that intended—is his amendment intended to cover exactly the same people as are covered by the substitute? And his answer was "Yes."

Mr. GRAHAM. Just an inquiry. If that is what the intention is, why is that not the same language? Why do we need a separate definition of lobbyist for this purpose if there already is a definition of lobbyist in the managers' amendment, which is intended to cover the same class of people as for this one?

Mr. WELLSTONE. Mr. President, the answer is because we are still waiting to see whether the Lobby Disclosure Act will be passed, and in what form, and wanted to be as clear as possible in the legislation.

Mr. GRAHAM. But this amendment has its own freestanding definition of lobbyist. It says, on page 3, line 25, "the term lobbyist means," and then it proceeds on page 4 to define what lobbyist means, I assume for purposes of this particular prohibition. That definition is not the same definition as the Senator from Michigan read, as is applicable elsewhere in S. 3, although that definition does not appear in S. 3, as is printed.

All I am saying is we are about to impose some very serious constraints on people's first amendment rights and action. And if we are going to do so, let us at least be very clear as to who it is we are covering so people who want to conduct themselves in an honorable, legal way will have the maximum opportunity to do so.

Mr. WELLSTONE. Mr. President, having heard the brief argument by my good friend from Florida, I would be pleased to modify my amendment and to use the definition that is in the leadership substitute. We will be pleased to make that modification.

I think that would strengthen the amendment.

The PRESIDING OFFICER. The Senator from Florida has yielded the floor. The Senator from Oklahoma.

Mr. BOREN. Mr. President, if I might ask my colleague from Minnesota, I have been having discussions with the Senator from Maine and others, and the Senator from Kentucky. The Senator from Massachusetts is anxious to offer his amendment, to lay down his amendment, which I believe then would go to a vote after discussion by himself and others who will be coming to the floor to debate this matter. There will be others here wanting to speak on that amendment.

I inquire of my colleagues, I think we could do one of two things. The Senator from Maine suggests—I have discussed this with him and the Senator from Kentucky—we could dispose of this amendment with a voice vote, with the understanding if it needs some further modification, that will be done in conference; or, if the Senator wishes to again lay it aside just briefly until we make the modification, we could do so.

Mr. WELLSTONE. If the Senator will yield, Mr. President, I would in a moment simply request a modification with the definition of lobbyist in the leadership substitute. Then I think we will have met the objection. I would like to move forward with this, now, if possible.

The PRESIDING OFFICER. The Senator from Minnesota, of course, has the right to modify his own amendment. The personnel at the desk would have to see what the modification is, though, for purposes of being able to inform the rest of the Senate what the modification is.

The Senator from Minnesota. Mr. WELLSTONE. Mr. President, I suggest the absence of a quorum, so that we can prepare this modification and offer it in just a few minutes.

Mr. BOREN. Mr. President, since the Senator from Massachusetts is anxious to proceed, I wonder if we might be able to do this: If the Senator from Massachusetts could begin explaining his amendment so we do not waste time, perhaps by the end of his explanation, the Senator from Minnesota will be able to bring up the modification and we can dispose of that amendment by voice vote, at which point in time the Senator from Massachusetts can officially send his amendment to the desk and then it would become the pending matter. That way we will not lose time if the Senator from Massachusetts can begin.

We will be willing, when he completes his explanation—and I urge my colleagues to get the modification ready by then—we can take 1 minute to dispose of this amendment by vote and then have the Senator from Massachusetts officially send his amendment to the desk. If he can start his description of it and others speak about it, we

can get this all taken care of in due sequence.

The PRESIDING OFFICER. Is that a unanimous-consent request of the Senator from Oklahoma?

Mr. WELLSTONE. Reserving the right to object, and I will not object, I think that would be fine. I know the Senator from Massachusetts is ready to go, and I am very committed to the very important amendment he is about to explain. I will be pleased to do that with the understanding that we would now try to work out this language, and upon working out that language, we could bring this back to the floor and dispense with it.

This amendment is designed to sever the connection between the money and the lobbyist and big contributors' lobbying activity. I consider it to be a very important amendment. I would like to have this amendment agreed to.

Mr. KERRY. Mr. President, reserving the right to object, I inquire of the manager of the bill, is this not a simple enough modification we could take a moment until it is ready, rather than break up the process? If the manager believes it is going to take a fair amount of time, I am happy to proceed.

Mr. BOREN. Mr. President, let me just suggest that we suggest the absence of a quorum. This Senator may be off the floor for just a moment, but if I am off the floor at the time and the Senator from Minnesota will just present his amendment to be disposed of by voice vote—hopefully, if we can get the modification accomplished rapidly—we can do that. Both sides are willing to accept it by voice vote as soon as the modification is made.

Mr. KERRY. If it appears the modification will take longer, I will be happy to commence.

Mr. BOREN. That sounds like a good suggestion. In just a moment, I will suggest the absence of a quorum, after which time if progress is not made in very short order and the Wellstone amendment has not been disposed of, I will ask the Senator from Minnesota then to consider setting it aside so the Senator from Massachusetts may proceed. In order that we may accomplish that, 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. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT NO. 368, AS FURTHER MODIFIED, TO AMENDMENT NO. 367

Mr. WELLSTONE. Mr. President, I send the modification to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is modified as per the request of the Senator from Minnesota.

The amendment, as further modified, is as follows:

Strike all after "(b) PROHIBITION" and insert the following:

OF CERTAIN CONTRIBUTIONS BY LOBBYISTS.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 314(b), is amended by adding at the end the following new subsection:

"(m)(1) A lobbyist or a political committee controlled by a lobbyist, shall not make contributions to, or solicit contributions for or on behalf of—

"(A) any member of Congress with whom the lobbyist has, during the preceding 12 months, made a lobbying contact; or

"(B) any authorized committee of the President of the United States if, during the preceding 12 months, the lobbyist has made a lobbying contact with a covered executive branch official.

"(2) A lobbyist who, or a lobbyist whose political committee, has made any contribution to, or solicited contributions for or on behalf of, any member of Congress or candidate for Congress (or any authorized committee of the President) shall not, during the 12 months following such contribution or solicitation, make a lobbying contact with such member or candidate who becomes a member of Congress (or a covered executive branch official).

"(3) If a lobbyist advises or otherwise suggests to a client of the lobbyist (including a client that is the lobbyist's regular employer), or to a political committee that is funded or administered by such a client, that the client or political committee should make a contribution to or solicit a contribution for or on behalf of—

"(A) a member of Congress or candidate for Congress, the making or soliciting of such a contribution is prohibited if the lobbyist has made a lobbying contact with the member of Congress within the preceding 12 months; or

"(B) an authorized committee of the President, the making or soliciting of such a contribution shall be unlawful if the lobbyist has made a lobbying contact with a covered executive branch official within the preceding 12 months.

"(4) For purposes of this subsection—

"(A) the term 'covered executive branch official' means the President, Vice-President, any officer or employee of the executive office of the President other than a clerical or secretarial employee, any officer or employee serving in an Executive Level I, II, III, IV, or V position as designated in statute or Executive order, any officer or employee serving in a senior executive service position (as defined in section 3232(a)(2) of title 5, United States Code), any member of the uniformed services whose pay grade is at or in excess of 0-7 under section 201 of title 37, United States Code, and any officer or employee serving in a position of confidential or policy-determining character under schedule C of the excepted service pursuant to regulations implementing section 2103 of title 5, United States Code;

"(B) the term 'lobbyist' means—

"(i) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"any successor Federal law requiring a person who is a lobbyist or foreign agent to register or a person to report its lobbying activity or a person required under any other law to be registered as a lobbyist (as the term 'lobbyist' may be defined in any such law).

"(C) the term 'lobbying contact'—

"(i) means an oral or written communication with or appearance before a member of Congress or covered executive branch official made by a lobbyist representing an interest of another person with regard to—

"(I) the formulation, modification, or adoption of Federal legislation (including a legislative proposal);

"(II) the formulation, modification, or adoption of a Federal rule, regulation, Executive order, or any other program, policy or position of the United States Government; or

"(III) the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license); but

"(ii) does not include a communication that is—

"(I) made by a public official acting in an official capacity;

"(II) made by a representative of a media organization who is primarily engaged in gathering and disseminating news and information to the public;

"(III) made in a speech, article, publication, or other material that is widely distributed to the public or through the media;

"(IV) a request for an appointment, a request for the status of a Federal action, or another similar ministerial contact, if there is no attempt to influence a member of Congress or covered executive branch official at the time of the contact;

"(V) made in the course of participation in an advisory committee subject to the Federal Advisory Committee Act (5 U.S.C. App.);

"(VI) testimony given before a committee, subcommittee, or office of Congress a Federal agency, or submitted for inclusion in the public record of a hearing conducted by the committee, subcommittee, or office;

"(VII) information provided in writing in response to a specific written request from a member of Congress or covered executive branch official;

"(VIII) required by subpoena, civil investigative demand, or otherwise compelled by statute, regulation, or other action of Congress or a Federal agency;

"(IX) made to an agency official with regard to a judicial proceeding, criminal or civil law enforcement inquiry, investigation, or proceeding, or filing required by law;

"(X) made in compliance with written agency procedures regarding an adjudication conducted by the agency under section 554 of title 5, United States Code, or substantially similar provisions;

"(XI) a written comment filed in a public docket and other communication that is made on the record in a public proceeding;

"(XII) a formal petition for agency action, made in writing pursuant to established agency procedures; or

"(XIII) made on behalf of a person with regard to the person's benefits, employment, other personal matters involving only that person, or disclosures pursuant to a whistleblower statute."

"(5) For purposes of this subsection, a lobbyist shall be considered to make a lobbying contact or communication with a member of Congress if the lobbyist makes a lobbying contact or communication with—

"(i) the member of Congress;

"(ii) any person employed in the office of the member of Congress; or

"(iii) any person employed by a committee, joint committee, or leadership office who, to the knowledge of the lobbyist, was employed at the request of or is employed at the pleasure of, reports primarily to, rep-

or acts as the agent of the member of Congress."

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment, as modified.

The amendment (No. 368), as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. WELLSTONE. Mr. President, I just would like to thank both the Senator from Oklahoma and the Senator from Kentucky. I would like to thank the Senator from Michigan for his help on the floor and the Senator from Maine for his helpful suggestions.

I want to say one more time to my colleagues, I fully appreciate the discussion that has taken place. It is my own strong view that, to the extent we can break the nexus between the lobbying activity and the giving of money, we must do that. This amendment strengthens considerably the lobbying prohibition in this bill. It represents, I think, a substantial reform. I think it is the kind of step people in this country want us to take, and I am very pleased the Senate has agreed to this amendment.

Mr. BOREN. Mr. President, I understand we have approved the amendment in the second degree. We still need to approve, I assume, the underlying amendment. So we still need to act upon the Wellstone amendment, the underlying amendment, as amended.

The PRESIDING OFFICER. Is there further debate?

Mr. WELLSTONE. Mr. President, I ask unanimous consent to vitiate the yeas and nays.

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

The PRESIDING OFFICER. The question now is on agreeing to the first-degree amendment, as amended.

The amendment (No. 367), as amended, was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

AMENDMENT NO. 381 TO AMENDMENT NO. 366

(Purpose: Creates a purely voluntary public funding system for eligible candidates)

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

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY], for himself, Mr. BIDEN, Mr. BRADLEY, Mr. SIMON, Mr. WELLSTONE, Mr. FEINGOLD, and Mrs. BOXER, proposes an amendment numbered 381 to amendment No. 366.

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

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

The amendment is as follows:

On page 17, strike line 22 and all that follows through page 37, line 5, and insert the following:

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), the amounts determined under this subsection are—

"(A) the public financing amount;

"(B) the independent expenditure amount; and

"(C) in the case of an eligible Senate candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 502(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the public financing amount is—

"(A) in the case of an eligible candidate who is a major party candidate and who has met the threshold requirement of section 501(e) during the general election period, an amount equal to the general election expenditure limit applicable to the candidate under section 502(b) (without regard to paragraph (4) thereof) reduced by the amount of voter communication vouchers issued to the eligible candidate and the amount of the threshold requirement of section 501(e); and

"(B) in the case of an eligible candidate who is not a major party candidate and who has met the threshold requirement of section 501(e) during the general election period, an amount equal to the amount of contributions received during that period in excess of the threshold requirement under section 501(e) in the aggregate amount of \$250 or less, up to 50 percent of the general election spending limit under section 502(b).

"(3) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible Senate candidate which are required to be reported by such persons under section 304(c) with respect to the general election period and are certified by the Commission under section 304(c).

"(4) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(C) is not greater than 133½ percent of the general election expenditure limit under section 502(b), an amount equal to one-third of such limit applicable to the eligible Senate candidate for the election; plus

"(ii) if such excess equals or exceeds 133½ percent but is less than 166½ percent of such limit, an amount equal to one-third of such limit; plus

"(iii) if such excess equals or exceeds 166½ percent of such limit, an amount equal to one-third of such limit.

"(B) In the case of an eligible Senate candidate who is not a major party candidate, an amount equal to the amount of contribu-

tions received during that period from individuals residing in the candidate's State in the aggregate amount of \$250 or less, up to 50 percent of the general election spending limit under section 502(b).

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The aggregate amount of voter communication vouchers issued to an eligible Senate candidate during a general election period shall be equal to 50 percent of the general election expenditure limit under section 502(b) (25 percent of such limit if such candidate is not a major party candidate).

"(2) Voter communication vouchers shall be used by an eligible Senate candidate—

"(A) to purchase broadcast time during the general election period in the same manner as other broadcast time may be purchased by the candidate, except that any broadcast so purchased must be at least 60 seconds in length;

"(B) to purchase print advertisements during the general election period; or

"(C) to pay for postage expenses incurred during the general election period.

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1)(A) An eligible Senate candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (3) and (4) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 502(b).

"(B) In the case of an eligible Senate candidate who is not a major party candidate, the general election expenditure limit under section 502(b) with respect to such candidate shall be increased by the amount (if any) by which the excess described in subsection (b)(1) exceeds the amount determined under subsection (b)(2)(B) with respect to such candidate.

"(2)(A) An eligible Senate candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 501(c)(1)(D) or subsection (a) or (b) of section 502 if any one of the eligible Senate candidate's opponents who is not an eligible Senate candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 200 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(B) The amount of the expenditures which may be made by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(3)(A) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 501(c)(1)(D) if—

"(i) a major party candidate in the same general election is not an eligible Senate candidate; or

"(ii) any other candidate in the same general election who is not an eligible Senate candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 502(b).

"(B) The amount of contributions which may be received by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(e) USE OF PAYMENTS.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(j), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"SEC. 504. CERTIFICATION BY COMMISSION.

"(a) IN GENERAL.—(1) The Commission shall certify to any candidate meeting the requirements of section 501 that such candidate is an eligible Senate candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible Senate candidate files a request with the Secretary of the Senate to receive benefits under section 503, the Commission shall issue a certification stating whether such candidate is eligible for payments under this title from the Senate Election Campaign Fund or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 505 and judicial review under section 506.

"SEC. 505. EXAMINATION AND AUDITS; REPAYMENTS; CIVIL PENALTIES.

"(a) EXAMINATION AND AUDITS.—(1) The Commission shall conduct an examination and audit of the candidates' campaign accounts in 10 percent of the elections to seats in the Senate in each general election, and of the candidates' campaign accounts in each special election to a seat in the Senate, to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection. If the Commission selects a general election to a Senate seat for examination and audit, the Commission shall examine and audit the campaign activities of all candidates in that general election whose expenditures were equal to or greater than 30 percent of the general election expenditure limit under section 502(b) for that election.

"(2) The Commission may conduct an examination and audit of the campaign accounts of any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) EXCESS PAYMENTS; REVOCATION OF STATUS.—(1) If the Commission determines that payments or vouchers were made to an eligible Senate candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a)(1), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title.

"(c) MISUSE OF BENEFITS.—If the Commission determines that any amount of any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay the amount of such benefit.

"(d) EXCESS EXPENDITURES.—If the Commission determines that any eligible Senate candidate who has received benefits under this title has made expenditures which in the aggregate exceed—

"(1) the primary or runoff expenditure limit under section 501(d); or

"(2) the general election expenditure limit under section 502(b),

the Commission shall so notify such candidate and such candidate shall pay an amount equal to the amount of the excess expenditures.

"(e) CIVIL PENALTIES.—(1) If the Commission determines that a candidate has committed a violation described in subsection (c), the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

"(2)(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 2.5 percent or less shall pay an amount equal to the amount of the excess expenditures.

"(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by more than 2.5 percent and less than 5 percent shall pay an amount equal to three times the amount of the excess expenditures.

"(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 5 percent or more shall pay an amount equal to the sum of—

"(i) three times the amount of the excess expenditures plus an additional amount determined by the Commission, plus

"(ii) if the Commission determines such excess expenditures were willful, an amount equal to the benefits the candidate received under this title.

"(f) UNEXPENDED FUNDS.—Any amount received by an eligible Senate candidate under this title and not expended on or before the date of the general election shall be repaid within 30 days of the election, except that a reasonable amount may be retained for a pe-

riod not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid.

"(g) PAYMENTS RETURNED TO SOURCE.—Any payment, repayment, or civil penalty required by this section shall be paid to the entity from which benefits under this title were paid to the eligible Senate candidate.

"(h) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"SEC. 506. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 507. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 506 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to any entity from which benefits under this title were paid.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 508. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible Senate candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 504 as benefits available to each eligible Senate candidate;

"(3) the amount of repayments, if any, required under section 505 and the reasons for each repayment required; and

"(4) the balance in the Senate Election Campaign Fund (and any account thereof).

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe (in accordance with the provisions of subsection (c)) such rules and regulations, to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Thirty days before prescribing any rule or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"SEC. 509. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE SENATE CANDIDATES.

"No eligible Senate candidate may receive amounts under section 503(a)(3) or vouchers under section 503(a)(4) unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.

"SEC. 510. SENATE ELECTION CAMPAIGN FUND.

"(a) ESTABLISHMENT OF CAMPAIGN FUND.—(1) There is hereby established on the books of the Treasury of the United States a special fund to be known as the Senate Election Campaign Fund (hereafter in this section referred to as 'the Fund').

"(2) There are hereby appropriated to the Fund the following amounts:

"(A) Amounts received in the Treasury which are equivalent to the increase in Federal revenues by reason of the disallowance of deductions for lobbying expenditures, but only to the extent that; (1) such amounts do not exceed the amount certified by the Commission as necessary to carry out the purposes of this title; and "(ii) such amounts do not exceed the amount designated by taxpayer on a Federal election campaign check-off.

"(B) Amounts transferred to the Fund under any provision of this Act.

"(C) Amounts credited to the Fund under paragraph (3).

"(3) The Secretary of the Treasury shall transfer amounts to, and manage, the Fund in the manner provided under subchapter B of chapter 98 of the Internal Revenue Code of 1986.

"(4) Amounts in the Fund shall, subject to the availability of appropriations, be available only for the purposes of—

"(A) providing benefits under this title; and

"(B) making expenditures in connection with the administration of the Fund.

"(5) The Secretary shall maintain such accounts in the Fund as may be required by this title or which the Secretary determines to be necessary to carry out the provisions of this title.

"(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commission under section 504, except as provided in subsection (d), the Secretary shall, subject to the availability of appropriations, promptly pay the amount certified by the

Commission to the candidate out of the Fund.

"(c) VOUCHERS.—Upon receipt of a certification from the Commission under section 504, except as provided in subsection (d), the Secretary of the Treasury shall, subject to the availability of appropriations, issue to an eligible candidate the amount of voter communication vouchers specified in such certification.

"(d) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—(1) If, at the time of a certification by the Commission under section 504 for payment, or issuance of a voucher, to an eligible candidate, the Secretary determines that the monies in the Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible candidates, the Secretary shall withhold from the amount of such payment or voucher such amount as the Secretary determines to be necessary to assure that each eligible candidate will receive the same pro rata share of such candidate's full entitlement.

"(2) Amounts and vouchers withheld under paragraph (1) shall be paid when the Secretary determines that there are sufficient monies in the Fund to pay all, or a portion thereof, to all eligible candidates from whom amounts have been withheld, except that if only a portion is to be paid, it shall be paid in such manner that each eligible candidate receives an equal pro rata share of such portion.

"(3)(A) Not later than December 31 of any calendar year preceding a calendar year in which there is a regularly scheduled general election, the Secretary, after consultation with the Commission, shall make an estimate of—

"(i) the amount of monies in the Fund which will be available to make payments required by this title in the succeeding calendar year; and

"(ii) the amount of expenditures which will be required under this title in such calendar year.

"(B) If the Secretary determines that there will be insufficient monies in the Fund to make the expenditures required by this title for any calendar year, the Secretary shall notify each candidate on January 1 of such calendar year (or, if later, the date on which an individual becomes a candidate) of the amount which the Secretary estimates will be the pro rata reduction in each eligible candidate's payments (including vouchers) under this subsection. Such notice shall be by registered mail.

"(C) The amount of the eligible candidate's contribution limit under section 501(c)(1)(D)(iii) shall be increased by the amount of the estimated pro rata reduction.

"(4) The Secretary shall notify the Commission and each eligible candidate by registered mail of any actual reduction in the amount of any payment by reason of this subsection. If the amount of the reduction exceeds the amount estimated under paragraph (3), the candidate's contribution limit under section 501(c)(1)(D)(iii) shall be increased by the amount of such excess."

(b) EFFECTIVE DATES.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1994.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1994, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1994, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1994, to pay for expenditures which were incurred (but unpaid) before such date.

(c) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If section 501, 502, or 503 of title V of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act shall be treated as invalid.

SEC. . (c) SENSE OF THE SENATE REGARDING PRESIDENTIAL CHECKOFF.—

It is the sense of the Senate that—

(1) the current Presidential checkoff should be increased to \$5.00 and its designation changed to the "Federal Election Campaign Checkoff and individuals should be permitted to contribute an additional \$5.00 to the fund in additional taxes if they so desire; and

(2) the Internal Revenue Service and the Federal Election Commission should be required to develop and implement a plan to publicize the fund and the checkoff to increase citizen participation.

Mr. KERRY. Mr. President, we have been engaged in the last few days in a good discussion about how best to reform the process. We have disagreements, obviously, among us as to what that methodology is. Some oppose setting any limits, some oppose any form of public funding, and there are, indeed, other differences on other issues.

But the principal issue of this bill is really whether the U.S. Senate is going to set limits on the arms race of fundraising that takes place. There is not one of us who has not sat at a lunch table or had a private conversation at some point and talked with each other about the absurdity, even the degrading aspects of it, the ways in which we are all subject to the very kinds of questions that the distinguished Senator from Maine [Mr. COHEN] was asking about a moment ago.

We are, indeed, marching down a difficult road here where, in the effort to reform so that we can keep collecting fairly big money, we create a lot of rules that will govern the giving of the big money. We are going to be subject to trying to interpret the rules of the giving of the big money in ways that are probably going to submit a lot of people to some embarrassing and possibly even some more serious consequences.

The Senator from Maine a moment ago, in his colloquy with the Senator from Michigan, asked the question: Maybe the only solution is that we are not accepting contributions because that is the only way to stay pure with respect to the encumbrances that we place on ourselves to try to be pure.

The answer to the question maybe, that is, the only way to stop the problem is not to accept money, is to look at a public system, a system of campaign finance reform where you minimize each individual Senator's or can-

exposure to the fundraising process, where you minimize the amount of time that each of us must take up in fundraising, and where you minimize the amount of money that each of us must raise. That is the way you protect each of us the best: Minimize the exposure to money, to time, to amount of money.

So the question is: How do you best minimize the exposure? How do you best minimize the time? How do you best minimize the amount of money you have to go out and raise?

There is a threshold issue, obviously. Yesterday we debated it a little bit. Why are we here debating these reforms? Some Senators come to the floor and complain saying, "I don't like this because it makes us all look like we are on the take or we have a problem." Obviously, none of us like that.

How do you minimize that problem? Because that problem is a direct outgrowth of the fact that we go out and raise a lot of money. It has been going on for years. This is not a problem that arose in 1993.

This is a problem that has been around us for a long time. And as Senator BIDEN said so eloquently, he is tired of having to go home and explain to people the negative side, the fact that he is not on the take; that he is not somebody who is being influenced by money; that he does not want to have his lifetime consumed, as none of us do, in the effort to try to prove that we are not what the public thinks the entire Congress is.

Now, some people want to fight this perception. I just share with my colleagues ancient history. I am not going to try to pick on the present because I am not seeking to find current embarrassments or current problems. But I think we have to acknowledge the reality of what we are confronting right now.

In 1988, U.S. News & World Report did a major analysis of the linkage between money and legislation, a major analysis, if you will, of the downside of the fundraising arms race. It is a problem of perception. A lot of us do not believe we are creating the perception. A lot of us do not believe we are lending to the perception. But for whatever reasons, the fact is the perception is there. It has been there for a number of years. It is growing worse, not better. And each and every one of us in the Congress is subject to all of the negative connotations of those perceptions.

I will very quickly share just a couple of examples with colleagues.

In 1988, U.S. News pointed out how corporations such as LTV, Northrop, Texas Air, Monsanto, had been cited in a whole spate of articles regarding their contributions to the campaign coffers of Senators who were active on key issues pertaining to those corporations. The Senators were not accused of any specific wrongdoing, but the

magazine pointed out that this was the implications of the nexus between the contributors, the money, and the officials.

People raised the perception issue about each of these Senators. It was publicly dragged through the newspapers. People were dragged through the accusatory process. And the accusations were that there was a quid pro quo, money-for-influence transaction—the appearance of corruption.

I would suggest that we have all come to the floor and basically acknowledged the appearance of the corruption in the soft money and PAC's; we have outlawed it. So we know there is a connection of money to appearance. And in this article it pointed out how there were specific linkages of legislative action to very large donations.

The LTV Corp. and the Wheeling-Pittsburgh Steel Corp. both lobbied aggressively for legislation that facilitated their claim to \$144 million in tax refunds, despite the fact that prohibitions against those refunds existed where a corporation had done what those very corporations had done, which is cut off the pension plan payments to retirees. So they spent \$201,304 in very targeted campaign contributions, some of them directed to two key Senators on the very legislative committees pertaining to that legislation. And all those companies that have revoked the pensions for over 100,000 retirees, they were allowed to claim relief under the new law in a special provision put in for them by the committee on which those two legislators sat.

Now, whether or not those two legislators did it, the appearances of impropriety screamed out at everybody so much that newspapers and others made direct allegations of impropriety.

Another example: Northrop Corp. sent well over \$250,000 in PAC money to Congress in 1988. And it did so literally at the very moment that the Tacit Rainbow project came up in the Senate. Several thousands dollars were contributed directly to the campaign of a chairman of one of the committees of jurisdiction. And although the antiradar project had failed four flight tests, it had accrued enormous cost overruns, \$180 million was budgeted for its continued development and the conflict of interest at the level of appearance once again surfaced in the press.

Now, I can go through a lot of other examples of this—and I am particularly choosing examples of a few years ago because I think we all understand that there is a vulnerability within this institution on the issue.

Without belaboring it, without going back to all of the examples, I come back to the questions I asked a moment ago: How do you get rid of this perception? How do you minimize our exposure? How do you maximize the cleanliness, if you will, of this process?

I am proud to be joined in sending this amendment to the desk by Senator BRADLEY, Senator BIDEN, Senator SIMON, Senator WELLSTONE, Senator BOXER, and Senator FEINGOLD. Each of the cosponsors believe very deeply that the best way to distance us from the possibilities of exposure to the perceptions, and the best way to maximize our time as Senators on legislative work here in Washington, is not to galivant around the country raising money in places that often have very little relationship to our home States except for the fact that there are rich people there who contribute. The way in which we maximize our shield against the perception of impropriety is to reduce the amount of money that is in the campaign process and to minimize our need to raise it.

So Senator BIDEN, Senator BRADLEY, Senator FEINGOLD, Senator BOXER, Senator WELLSTONE, Senator SIMON, and I are sending to the desk an amendment that is different from the public funding mechanism in the underlying bill.

This amendment requires zero mandatory expenditure of any Federal money. What we are proposing is that through a purely voluntary—and I emphasize voluntary—system by which each American citizen can choose whether to support the campaigns or not, we are proposing that you have the full funding of general election campaigns only by virtue of the money raised through that voluntary donation process.

Now, I would emphasize this amendment does not add to the deficit. It makes no mandatory expenditure of Federal money. To whatever degree Americans choose voluntarily to participate, it is offset by eliminating the deduction for lobbying just as in the Mitchell-Boren bill.

I might add, in the alternative, I support wholeheartedly their proposal. It has very significant campaign reforms in it. I think each sponsor of this amendment feels that way. But it is also our belief that we could do more to provide the distancing I talked about and to facilitate the fundraising process.

Now, we are proposing also to fund whatever offset is necessary, according to the voluntary choice that Americans make by taking money from the campaign, from the lobbying deduction that corporations now have. It is impossible to justify to the average American who feels just as strongly about telephoning their Senator or their Congressman or writing letters, to have an influence in this country, why those telephone calls and those letters or their organizational efforts are not deductible but big corporations and other entities that want to come to Washington, spend a lot of money, pay for a lot of lobbying efforts, gathering a lot of information, can deduct that effort.

So it is highly appropriate that we say we are going to equalize this; that the average citizen deserves their voice to be heard in Washington just as much as any large interest. And the average citizen of this country should not have money coming out of their hard-earned tax dollars supporting lobbyists who are, indeed, lobbying against their very interests, which is what happens today.

So in our amendment we are saying to Americans, if you do not want any of your tax money to fund a campaign, so be it. If you like the current system, where it is big money that deprives you of a voice, if you like the current system where PAC's can give \$15,000 but you may only be able to scrounge up \$15 of your hard-earned money, then keep it. But if you want your voice restored, if you want to give back to Americans the voice they deserve, then take \$5 of your money and check it off just as you do for the Presidential race and allow it to go to campaigns.

That is all this says. Give Americans the choice. Let each citizen in this country decide whether or not they want to fund a campaign and liberate their U.S. Congress from the special interest process.

It is free choice. This is the heart of what we are supposed to have in America in this amendment.

Some Senators will say: Wait a minute, I do not like public funding. This is not mandatory public funding. If you do not like the current bill, then you ought to vote for our amendment because our amendment in fact reduces the amount of mandatory expenditure of Federal money. It leaves it up to Americans how much they want to spend. It respects each citizen's ability to make up their own mind.

And if you are not willing to vote for it, it somehow suggests that you, Mr. Senator, or Madam Senator, know better than the average citizen what they want to do with their tax dollar with respect to the choice about funding campaigns which is different as we know from all the other choices that we make here in the representative democratic process.

We have already enabled this kind of choice, because since the 1970's and Watergate, we have had a system where we fund Presidential races that way.

Americans have chosen to participate in that process. From 1973 to now, on average, 20 percent of Americans have checked off \$1, and each year we raise \$27, \$31, \$33, \$41, \$34, \$33, \$32 million, because 32 million Americans made the choice.

I respectfully suggest that we ought to have enough respect for the average American to say: You choose whether you want to liberate the Congress now, too, and allow them the opportunity to be free of the special interests. That is the way you answer the question of the Senator from Maine.

How do you guarantee that you are not going to get trapped in this process

of deciding? The way you guarantee you are not going to get trapped is not to have to raise those dollars. And the way you guarantee that is by permitting each American to check it off on their tax form.

I have heard the argument made here that somehow this process represents an incumbent protection system. I want to address that for a moment, if I may.

It is very clear, Mr. President, that the current system is the incumbent protection system. The current system is the incumbent protection system. Under the current system, in the last cycle, in 1992, Republican incumbents, of whom there were 12, raised \$5,553,000; Democratic challengers to those Republican incumbents only raised \$2,500,000, half the amount of money for the challengers versus the incumbents under the current system. Under the current system, Democratic incumbents raised \$23,487,000; versus Republican challengers who raised far less than half against them, \$1,158,000.

Mr. SIMON. Will my colleague yield just to clarify? He is not talking about the total expenditure. He is talking about the average expenditure per candidate. So when you talk about \$5.5 million, you are not saying throughout the Nation. This is per individual candidate.

Mr. KERRY. That is correct. I thank the distinguished Senator from Illinois for helping to clarify this chart. It is a very important point.

We had some individual Senate candidates who spent \$20 million apiece for a seat in the U.S. Senate. We had people spending \$10, \$12, \$7 million, each. In my State of Massachusetts, during the last cycle, we had to raise some \$8 million to run.

This is the average. But under the average, it is clear the incumbent protection act is the system we have today. If you want to change it and make it fairer, then you say to any person who wins the nomination of a party, or if they are an independent candidate, you have a right to have a fully funded general election just the way our Presidential candidates do. That will minimize the fundraising time. It cuts in half the amount of money you have to raise. And it reduces your exposure.

Most importantly, for those who care about democracy, you are talking about a \$5 contribution. Think of what it would mean in this country to have the general election campaigns of the U.S. Senators funded by \$5 contributions from anonymous people. You do not know who gave you the money. People who care about liberating their Congress from the special interests are the ones who gave it. But whether they be Democrat, Republican, or Independent, they have given it because they want us to end the charade of pretending we are trying to set up a system

that will help challengers, when in fact the current system is so antichallenger it is incredible.

I would like to review a couple of other things of the 1992 cycle. Congressional candidates spent about half-a-billion running for office, and every penny of that was from private interests. I would not complain, I do not think many people would, if all of that money came from the small interests, if it came from the small folks, but the fact is most of that money came from the few who could afford to give \$500 or up to \$1,000 to politicians, or from PAC's that gave \$5,000. That disenfranchises most Americans. What you are really saying to the people is the important money in America is the big money, and we are not going to try to encourage the small money participation.

In 1992, candidates for the Senate received an average of over \$1.5 million in big money and PAC contributions; \$1.5 million in big money, compared to \$650,000 that they received on average from the smaller contributions of \$100 or less. And Democrats relied as much on the big money as Republicans did.

By contrast, as I pointed out, there was this enormous difference between the challengers and the incumbents. We know that there are those Senators in opposition to any kind of giving Americans the choice program who try to say that we are not interested in the facts when we are dealing with this issue. But I believe that the facts show without any question that the current system favors incumbents, whereas the system we are proposing would assist people to enter into the process.

One of the big issues we face here on the floor has been the questions of EMILY's List and private fundraising efforts through bundling and so forth. The fact is women candidates, minority candidates, people who do not have access to the corporate board rooms and PAC's have an enormous opportunity to be able to run for office if there is a system that says you only have to raise a small amount of money to get over the threshold. And at some point if Americans want it to be, there is a system that frees you from the special interests and still allows you to be on television and reach Americans.

We hear Senators, and I have heard these arguments in the past, say: Wait a minute. Here come those people. They want to put their hand into the public cookie jar. They want to take public funds.

Here is the answer. There is no taking here; there is a voluntary offering by Americans if they choose to liberate us from the big money.

But second, what is extraordinary to me is the very people who raise that issue have also been some of those who over the years have collected huge

amounts of public money running for President of the United States, or supported the program where people get that kind of money. I mean we have candidates here in the U.S. Senate who have run for President, who do not vote for this, but who have personally accepted public money running for President of the United States.

Mr. President, I respectfully suggest that there is not one of our candidates who has run for President for whom the acceptance of public money was an issue when they ran for election or reelection in their Senate races.

Not one was told I am not voting for you because you took public money to run for President. We are asking, in this case, only for a voluntary system that respects the right of Americans to be able to choose.

President Bush, in the course of his running for President of the United States, accepted \$125,626,000 of public money. Ronald Reagan accepted \$90 million. If you add George Bush to the times he ran with Ronald Reagan, he is over the \$200 million mark in accepting public money. Jerry Ford, \$26 million. Pat Robertson, \$9 million. BOB DOLE, \$8 million. Jack Kemp, \$5 million. Buchanan, \$5 million. Baker, \$2 million. There is Senator HOLLINGS from South Carolina; the Senator from Iowa, Senator HARKIN; Senator GORE, now Vice President GORE; and none of them ever heard a word about accepting this money in their races, because it is not an issue.

Americans want a system that is campaign clean and corruption perception free. The way you get that, I believe, is by a voluntary system.

So, Mr. President, there are others who want to speak on this issue. But, in sum, let me say, if we are going to debate this issue, let us debate what we are really proposing. Let us not set up a red herring and then rip it down. Let us debate the real program. We are proposing a voluntary checkoff.

No American citizen who does not want to support this program has to. Only those people who choose to check it off will support it, and to whatever degree Americans choose not to support it, we allow candidates to go out and raise the money up to the \$1,000, as they do today, with a year's notice prior to the fact that they are not going to have sufficient funds.

I respectfully submit to my colleagues that, given the participation in the past on this issue, all you need are 10 million Americans to participate—10 million Americans to check it off. We have not even asked Americans to participate since 1974 in this system. And we have certainly not given Americans any great, good cause to feel that they want to do it spontaneously because they think the system is so terrific and is working so well. To whatever degree the participation has trailed off—and it has a little—you can notice that it

started right in 1984 or 1983, right when the deficit problem grew the worst, and right about when we introduced Gramm-Rudman-Hollings in an effort to do it.

We all know that was the time when there was a seminal change in this country in the perception of the American voter toward the Congress and the political process.

So I ask my colleagues to examine this. All of the polling data shows that even if you load up a question in the worst way, and even if you load up a question to say to a voter, would you want your money to support a Communist running for office, or somebody of an alternative lifestyle you do not like, the answer is that if that donation would reduce the amount of big interest money, if it would reduce the exposure of the Congress to special interests, they say, yes, we will support it, by 61 percent. If you do not load up the question in some way to get a negative answer, more than 70 percent of Americans will support a voluntary public funding if they are also getting reform in the process.

So, Mr. President, I hope that colleagues this year will say that this is the simplest, easiest, fairest way of opening up our process of eliminating the problem of incumbency protection and, finally, being fair in the process of creating campaign finance reform.

I yield the floor at this time.

Mr. FEINGOLD addressed the Chair. The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, there are plenty of good reasons for campaign finance reform. They include making elections more competitive, reducing the influence of special interests on Congress and, of course, simply helping to restore public trust in Government. But I especially congratulate the junior Senator from Massachusetts and rise to support his amendment for another reason.

There is another glaring need for campaign finance reform. The Senator was talking about this reason in a good part of his comments, and that is the need to reduce the amount of time candidates and officeholders have to spend raising money.

I know there is not a whole lot of sympathy for Senators and Members of the House who have busy schedules and, frankly, there should not be. With all of the long-term problems our country faces, the public should expect the Members of Congress to be working overtime on the issues facing the country. Many of us do work long hours.

As a freshman, I can attest to the very real need for me to spend a great deal of time studying, reading, discussing the ever-changing myriad of issues we consider in the Senate. There is a lot to be done, especially at this time with the bills that are before us. The country is clamoring for us to get things done here.

Unfortunately, today's system of financing campaigns, and the truly obscene amount of money spent on campaigns, makes it extremely difficult for many Members of Congress to really focus on the issues. The average successful Senate candidate spends about \$4 million. That works out to about \$1,800 every day that needs to be raised over the course of a 6-year term.

Fortunately, I have spent very little time on fundraising in the few months that I have been here. My time has been taken up working on my new job. That ranges from attending Aging Committee hearings on the high cost of pharmaceuticals and the need for long-term health care; it includes early morning briefings from the Congressional Research Service experts on how the archaic Federal milk marketing order system can be changed to help our Wisconsin dairy farmers. I participated in a series of critical Foreign Relations Committee hearings focused on restructuring our foreign assistance programs to reflect the end of the cold war; and I have spent, in really only 4 to 5 months, countless hours poring over budget materials, looking for ways to achieve what I consider to be my overriding goal, and the overriding goal of many of us, which is reducing the Federal deficit.

I have received requests to cosponsor more than 350 bills and resolutions from my Senate colleagues, and I have tried to spend time studying these proposals. I have met with hundreds of Wisconsinites, getting their ideas on how we can make the Federal Government work better and hoping to be more responsive to the needs of the Wisconsin community.

I know as well as anyone—better than most—the daunting struggles as an underfunded challenger. In my campaign in 1992, I had three opponents, two in the primary, a wealthy businessman and a very powerful Member of the House of Representatives. In the final election, I had to face a very well-financed incumbent Senator. Altogether, they spent \$12.2 million, compared to the less than \$2 million my campaign spent. We were outspent by better than 6 to 1, and I cannot begin to describe the time and effort it took to raise even the relatively modest amount of money my campaign spent.

What I want to say today is a little different. I think an equally serious problem is now fundraising activities can dominate the time of a Member of Congress after the election, after they are sworn in.

During my campaign for the U.S. Senate, I had occasion to visit Washington a few times. During one of those trips in 1990, I had a nice conversation and the opportunity to visit with a distinguished Senator who was up for reelection that year. This Senator was one of the most respected Members of the Senate, but he was exhausted and

exasperated from the combined drain of trying to raise millions of dollars and finding time to do the job the voters elected him to do. He was literally sprawled on the couch of his office wondering aloud if it was all worth it.

I know it is hard feeling sorry for a politician, even for a politician; but at that moment, I did. I was even more sorry for the people he represented, because at that moment he simply was not able to give them the kind of representation they deserved and that I know he wanted to deliver.

We ought to have a system which encourages both candidates and incumbents to spend their time working on the issues that the people who vote for them care about, not spending their time asking for campaign donations. There is simply too much money in politics these days. The best way to reduce the influence of money in politics is to reduce the amount of money that can be spent on political campaigns and to provide that public financing, so that both incumbents and challengers do not have to spend so much of their time raising money.

That is why I feel as strongly about this amendment as any amendment I have had the chance to vote on since I have been sworn into the U.S. Senate. I feel this provision of the Senator from Massachusetts would make the tremendous difference that we need to reform not just campaign finance, but to reform the way this Government works.

Until these changes are enacted, the pursuit of campaign contributions will continue to dominate not only election campaigns, but the time, energy and attention of elected officials after they have been sworn in. That is not good for anybody and, in my view, it is a terrible disservice to this country.

So I am delighted with this amendment, and I urge the body very strongly, not only for purposes of campaigns, but for our own ability to perform the jobs that I know all of us want to do, this amendment would make the critical difference.

I yield the floor.

Mr. SIMON. First of all, I agree with our new colleague from Wisconsin, and his remarks illustrate why he has made the impression on so many of us that he is going to be a solid, substantial Member of this body.

I am pleased to rise in support of the amendment offered by our colleague from Massachusetts, Senator KERRY. I would disagree with him on one thing, if my colleague will forgive me for disagreeing with him here. I agree with 95 percent of what he had to say, but he talked about the perceptions of impropriety under the present system.

I say to my friends, it is a lot worse than the perception of impropriety, it is simply impropriety. And it affects all of us. I have never promised anyone a thing for a campaign contribution all

my years in politics. But if someone who has raised money for me or made a \$1,000 campaign contribution calls, that phone call is more likely to be answered than one from someone from my State who calls and says he or she is out of work and is desperate for help.

What I am willing to say publicly is true for every one of us. We simply cannot, in a State with 12 million people—I forget how many people are in Nevada, the State of the Presiding Officer; or the State of Massachusetts; or the State of New Jersey. But we simply cannot answer every phone call. Whose phone calls do we respond to? Too often, it is those who are generous enough—and from our perspective, wise enough—to contribute to our campaigns.

So the financially articulate have inordinate access to policymakers. That is the reality. We know it, whether we are willing to admit it publicly, or not. Every Member of the Senate knows it. My good friend from Rhode Island, who just walked in, knows this. We all know this. And the public knows it. The public understands how corrosive this system we have of financing campaigns is. There is just no question about it.

The bill that is before us, without this amendment, is a step forward. But I have to say, I think it is a modest step forward. What this does, this amendment says: Let us really face up to the problem. And I think we owe the American people that.

Let me tell you about a measure I am working on right now. It will be debated on the floor before too long, right here on the floor of the U.S. Senate, and that is direct lending for students. It is very clear that almost all the higher education associations are for this. The United States Students Association, the American Council on Education, you name them, are supporting direct lending. It is good for taxpayers. We are going to reduce the student loan default. We will save money we now give to these middlemen in the process. We are going to save billions of dollars, \$4.3 billion, if we accept the President's recommendation.

But our friends in the banking industry—and they are our friends—are on the other side. They make more per loan on a student loan where they do not take any risk than they do on the average car loan or real estate loan. They would like to keep this. And our friends in the secondary market, the Student Loan Marketing Association, Sallie Mae—we set this thing out. The President of the United States appoints board members. Do you know what the salary of the chief executive officer of Sallie Mae is? It is \$2.1 million, more than twice as much as the chief executive officer of Sears. And yet it is dealing in Government-guaranteed bonds. The number five executive gets \$726,000. The President of the United States gets \$200,000.

Who is going to be in a situation to contribute more to campaigns; that citizen who is out of work in Illinois, or Massachusetts, or some other State, or the CEO of Sallie Mae?

What you have in this debate, you will have the financial communities overwhelmingly on one side, and the students, their parents, and the taxpayers overwhelmingly benefited on the other side. And in that kind of a debate on a Higher Education Assistance Act—this is not called the Banking Assistance Act or the Sallie Mae Assistance Act—in that kind of debate, it ought to be overwhelming where it is going to come out. But it is going to be close. Why? Because of the way we finance campaigns. There is just no question about it.

So I think our colleague from Massachusetts is right on target. I think we have to recognize we are performing a disservice to the public, and to this country we love, by the way we finance campaigns right now.

I know the odds are against the Kerry amendment passing, but what a great day it would be for the Nation if we summed up enough courage and did what was right.

I am going to support it. I am proud to be a cosponsor. I hope we do the right thing.

I yield the floor.

Mr. KERRY. Mr. President, I would just like to thank the Senator from Illinois for his eloquent comments. I think it takes a lot of courage to come down here and lay it out the way it is, and the way most of us know it is, although some try to avoid it.

I think the Senator said it in very straightforward and important terms. I thank the Senator for his support on this.

Mr. SIMON. Mr. President, I thank the Senator for his generous comments and for offering the amendment. I know the Senator's offering the amendment offends some of our colleagues.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I rise today in strong support of the amendment offered by Senators KERRY, BRYAN, BRADLEY, SIMON, FEINGOLD, and WELLSTONE, because I believe it provides for the strongest reform of our political system.

The pending amendment is the only proposed reform that will take the money out of general elections. Opponents of this amendment have argued that the price is too high, that the taxpayers will not want to bear the cost.

But, Mr. President, this amendment does not finance reform on the backs of ordinary taxpayers. It is financed by lobbyists, who make millions, and millions, and millions of dollars as a group.

Let me tell you why I think this amendment is important. To run for the U.S. Senate from my home State of

California, candidates need to raise in excess of \$10 million. As a matter of fact, Mr. President, they are looking at a gubernatorial race there in 2 years, and candidates are speaking about having to spend \$20 million.

But let us consider the \$10 million figure, which is what this Senator spent. That means, to mount a successful reelection campaign, an incumbent Senator from California must raise an average of \$32,000 per week. That is \$4,500 per day, every single day for 6 years.

Now, in the course of debate, the junior Senator from Kentucky has persuasively argued that these staggering numbers are somewhat misleading, because most Senators raise the vast majority of their funds in the final 2 years of their term. So let us consider that scenario. To raise \$10 million in 2 years, an incumbent Senator would have to raise over \$95,000 every week—\$13,700 every single day.

That is a daunting task. But I know that if I tried my best—if I worked really hard at it, and spent hours and hours away from my job, on the phone dialing for dollars, I could raise that money.

But, Mr. President, the people of California elected me to be their U.S. Senator—a legislator, not a fundraiser. I am not running the United Way. I could do a good job running the United Way, and someday maybe I will wind up in a position like that. But right now I want to be the best Senator that I can be. I came to the Senate to fight for what my constituents believe in, not to spend hours on end building up a war chest for my next campaign.

So how do we do it, Mr. President? How do we end the money chase? And why do I believe that full public financing in the general election is the answer?

The Senator from Massachusetts and his coauthors have provided us with a scenario that works. We know it works in Presidential races. I have not seen anyone, during the course of this debate or any other, suggest that we rescind the public financing for Presidential races. We know it works, and we know it will work in the U.S. Senate.

Mr. President, the underlying bill will not end the money chase. Let us be very clear on that. It tinkers around the edges.

Consider this: The spending limit set by S. 3 for the State of California is nearly \$9 million. The leadership substitute would provide \$1.1 million in publicly financed communication vouchers. That means that successful candidates would need to raise nearly \$8 million. So, yes, it is an improvement from the \$10 million that I spent, but really, it is still an enormous sum of money.

I have proven that I can raise a lot of money, so my support of this amend-

ment is not selfish. As a matter of fact, it could be detrimental to me, because not many in this country could raise this kind of money. I was fortunate. I was able to raise 90 percent of my contributions from individuals, not PAC's. My average contribution was about \$100.

But still, I know how it feels to worry constantly about being able to pay for your campaign, so you can answer the charges of your opponent. You need to be calling people day in and day out.

Mr. President, I have to tell you this: Sometimes I got physically sick at the thought of asking one more person for one more dollar.

I have heard the junior Senator from Kentucky talk about public financing as "food stamps for politicians." And that was a nice sound bite on the radio. We heard that for days—"food stamps for politicians."

Well, I have a question to ask: Was it food stamps for Ronald Reagan? He took public financing and I did not hear the Senator from Kentucky [Mr. MCCONNELL] say President Reagan was taking food stamps. Was it food stamps for George Bush? He took public financing; millions of dollars. Was it food stamps for Pat Buchanan? He took 3 cents of every dollar, more than Jerry Brown and more than Paul Tsongas. Pat Buchanan hates food stamps, but he took public financing.

Public financing is not food stamps. It is patriotic, because it frees our nominees to do what they should be doing—studying issues, meeting the people, making visits to schools and hospitals, writing speeches, reading articles, books, newspapers, magazines, and, yes, Mr. President, maybe even having a few short minutes to spend with their families.

I think we need real change, real reform—reform that takes the money out of general elections.

I think this vote is a watershed vote. Senate elections should be about who has the best ideas, not who can raise the most money. Senate elections should be about who is the best candidate, not who can raise the most money. Senate elections should be about who is the best person—the best person for the job—not about who can raise the most money.

Mr. President, this amendment is very, very important. I say to my colleagues who are undecided on this issue: If you want real reform, this is the reform amendment. I hope and I trust that we will get enough votes to see it become law.

I yield back the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Thank you, Mr. President.

Mr. President, I think the Senator from California for her remarks. She

obviously understands how extraordinarily complicated it is to raise some of the largest amounts of money in the Senate. She really broke a lot of new ground in doing so, because she had a really remarkable small donor campaign and that witnessed the smaller amounts of money that she raised.

But, notwithstanding that, she articulated the difficulties that it presents us with. So we are delighted to have her additional support as a new Member of the Senate and particularly pleased that she is one of the original cosponsors of the bill. I thank her for her important support of this bill.

I know the Senator from New Jersey was here waiting to speak. I believe he will return.

I yield the floor.

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

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

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

The legislative clerk proceeded to call the roll.

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

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

Mr. MCCONNELL. Mr. President, I do not think we need to belabor the debate on the Kerry amendment very much. Suffice it to say that in terms of direct expenditures on behalf of candidates who qualify, there is about twice as much taxpayer funding of elections in the Kerry amendment as in the underlying amendment.

We already know how the American public feels about taxpayer funding. We have the most comprehensive survey ever taken on any subject and we have it taken annually. Every April 15, taxpayers get to decide how they feel about taxpayer funding of the one election we have at the Federal level funded in that manner currently. Taxpayers get to decide whether they want to check off \$1 of taxes they already owe—it does not add to their tax bill—and divert that away from deficit reduction or childhood vaccinations or any other worthwhile subject, to give to the Presidential election campaign fund. And we know that participation has gone from a high of 28 percent in the late 1970's, constantly going downward, as this chart illustrates, to a low of 17.7 percent.

This is the only subject with which I am familiar where we have a total survey of millions of American every year. So you can flash polls until you are blue in your face, the answer to the question is as apparent as the nose on your face; the American taxpayers hate taxpayer funding of elections.

At a time when the President is calling on us to cough up, or ask of taxpayers, the highest tax increase in

American history, it is suggested we should start a new entitlement program for us with tax dollars. Suffice it to say, the American public will be outraged. Ross Perot is against this bill, and those who follow him are against this bill.

It is interesting, there was recent further evidence, if any were needed, about how the public feels about taxpayer funding of elections. It was an interesting piece in the Washington Post in 1991, January 1991, about a focus group that was brought together to take a look at what the public felt about taxpayer funding of elections. There was a story about it in the Washington Post, with a byline by Chuck Babcock. The article said:

Proponents of spending tax money to reform the much-maligned congressional campaign system will find little to cheer about in a new study of public financing of presidential elections.

When the Federal Election Commission sponsored focus groups on the subject at the end of last year, they found the participants so angry—

This was a FEC-sponsored focus group study—

... about politicians in general that the anger overwhelmed any discussion of the presidential checkoff issue.

"It was often difficult to keep the group focused on the subject at hand because of their anger at politicians and a perception of wasteful spending by government," the report to the FEC by Market Decisions Corp. of Portland, OR, said.

Some campaign finance reform advocates in Congress have proposed increasing the voluntary checkoff from the \$1 designated for the Presidential fund to \$3—

which was the number for the bill in that Congress—

for congressional races, too.

The FEC hired the Portland firm because it is facing the possibility that the fund, started as a post-Watergate reform in the mid-seventies, won't have enough money to provide matching funds for candidates in the 1992 Presidential primary season. The idea, FEC spokesman Fred Eiland said, was to determine what the public knew about the system so the agency could fashion a program to publicize the problem.

Market Decisions corporation conducted two sessions in Fort Lee, New Jersey, Chattanooga, Tennessee, and Portland * * * Ray Ashmun, who ran the focus groups, found that participants had little knowledge of how the system worked or how their money was spent if they designated \$1 of their taxes to go to the fund.

The study found some focus group participants particularly outraged to learn tax money goes to subsidize the Presidential nominating conventions: "That money is going to conventions?" Well, I don't want any money going to a drunken brawl, a week-long party," the report quoted one Chattanooga resident as saying.

Ashmun, who conducted the focus groups, said in an interview yesterday that participants who didn't contribute to the Presidential fund were the most emotional in denouncing politicians. He added he is among 80 percent of taxpayers who don't use the checkoff. "And now I feel more strongly about it because I'm more informed."

This was the guy who conducted the focus groups, and he said, after listening to the focus groups, he felt even more strongly against taxpayer funding than before. This was the focus group commissioned by the Federal Election Commission to find out, if people were accurately informed of what the checkoff was about, how they felt about taxpayer funding of elections.

So if any of our colleagues want to delude themselves into thinking that taxpayer funding of elections is popular, please go ahead. I guess you can always trot out a poll for whatever your preconceived notions are. But suffice it to say for any of those who may have an open mind on this subject, I will display the public response to the checkoff every April 15.

Recently published polls that I have seen that asked the question in a very balanced way show at least a 20-point spread against taxpayer funding. There is not a doubt in my mind that the American public absolutely hates, detests, and despises taxpayer funding of elections.

Only yesterday, we had a two-vote margin as Senators voted, just barely, that rather than use the lobbying expense deduction to repeal savings strictly for deficit reduction, a new entitlement program for politicians would get first crack at the money. The remaining dollars would then be used for available deficit reduction. Under the Kerry amendment, there would not be much left for deficit reduction.

I think that there is not any question, and I am sure the Senator from Massachusetts would agree with this, that the purpose of his amendment is to have more—that is the whole basis for it, he argued that, that is his point of view—is to have more tax dollars in the general election, to have it largely funded by the taxpayers of America. That is the goal. He believes that is a cleansing process to hermetically seal the Capitol, to separate us from the influence of those folks out there who may want to contribute their money to the candidate of their choice in voluntary and limited amounts.

So I really do not think there is any particular reason to belabor the issue. I did have a couple of questions to ask my colleague from Massachusetts, and then I am prepared to move to a vote, if he is.

I just ask my colleague from Massachusetts: Under your amendment, if a civil rights group, like the NAACP or B'nai B'rith, decided to make independent expenditures in opposition to the Senate candidacy of David Duke in Louisiana and Mr. Duke had agreed to comply with the limits and other eligibility requirements of the bill, would your amendment provide tax dollars for David Duke to respond to the independent expenditures against him or

civil rights groups like the NAACP or B'nai B'rith?

Mr. KERRY. The answer to my colleague is, no, it would not be unless you reached the threshold. If you reached the threshold, the same rules would apply as in President Clinton's and in the Mitchell-Boren bill. All we do is change the funding source, but the same other rules would apply.

Mr. MCCONNELL. So if the threshold had been achieved, David Duke would get tax dollars to counter B'nai B'rith or NAACP's independent expenditures against him?

Mr. KERRY. Only according to the rules set out in the original bill. They would have dollars only as Americans have chosen to put them in.

Under the current bill—that is the one which we are amending—there is a mandatory expenditure. We do not have a mandatory expenditure, and I think that is the important distinction here; that this provision makes the public certification entirely voluntary and the only available money to adjust for those who would go outside of the limits would be according to the voluntariness of Americans.

I would respond by asking the Senator from Kentucky why he is afraid or would resist allowing any citizen to choose whether or not they would want to support the process? If you do not want to do it in Kentucky, you do not have to. But if I want to do it in Massachusetts, why not permit me the right and permit a citizen in Massachusetts the right to fund an election that way?

Mr. MCCONNELL. If the Senator from Massachusetts is asking me if I would like to ask the American people whether they would like for David Duke to get their tax dollars to respond to independent expenditures of the B'nai B'rith or NAACP, I would like to ask the American public that. I think that would be interesting.

Mr. KERRY. That is not what I asked the Senator and that is not what I am asking. What I am asking the Senator from Kentucky is, why will the Senator from Kentucky not allow any citizen in America who wants to make the decision, why does the Senator from Kentucky feel that he knows better than 20 percent of Americans who want to make a choice contributing this way?

Mr. MCCONNELL. Does the Senator's amendment allow the taxpayer to add to the tax bill, the \$5?

Mr. KERRY. Yes, it does, but that is a supplemental mechanism only. I believe you would prefer only an add-on, is this correct?

Mr. MCCONNELL. That would be a real contribution.

The PRESIDING OFFICER. The Chair reminds Senators to direct their questions to the Chair.

Mr. KERRY. Mr. President, my question to the Senator, and I will answer his question to me, no, we do not do it

as an add-on. We permit an add-on, but it is supplemental only. It is just like the Presidential but it is offset. There is no addition to the deficit because it is more than paid for by the wealthier taxpayers of America who are deducting their lobbying expenses at the expense of the average citizen who is paying for them to lobby.

What we are saying in this bill is, why should the average, small taxpayer of Kentucky pay money to support big oil interests to come to Washington and lobby against their interests?

So we are saying, we are doing away with that in order to allow those people to make a choice.

But my question, I still ask the Senator from Kentucky, Mr. President, is—

Mr. MCCONNELL. Mr. President, I believe I have the floor.

Mr. KERRY. I think the Senator yielded for a question and asked me one. Why will the Senator not allow a citizen of Kentucky or Massachusetts to make the choice for themselves?

Mr. MCCONNELL. Mr. President, the citizens of Kentucky are making the choice. Only 10 percent of them choose to check off a dollar of taxes they already owe to divert it to the Presidential campaign fund.

We got a little bit off the track here. The fact of the matter is, the Senator from Massachusetts knows, because we have discussed this issue before, whether or not it is contained in his amendment, under the underlying bill, if a civil rights group decided to make an independent expenditure against a Senate candidate, complying Senate candidate like David Duke in Louisiana, in fact, tax dollars would be given to the former Klansman to counter the independent expenditures in opposition to David Duke.

I did have one other hypothetical that I find somewhat confusing. I think this would be the case, not just in Senator KERRY's amendment but also in the underlying amendment, that I thought we might discuss. I understand there is some desire to have a vote at 5 o'clock. I do not want to hold that up because the bottom line with the Kerry amendment is you have twice as many tax dollars being spent on elections as the underlying bill. I think all Senators know if they vote for the Kerry amendment, they are voting to spend even more tax dollars on elections.

There is one other interesting hypothetical that could develop under both the underlying bill and I suspect the Kerry amendment if it were adopted. Let us take a look at this hypothetical.

You have an independent expenditure by a group of people who get together calling themselves Americans for Higher Taxes. They think that is a good idea. They are for it. And this group ran TV ads in the next campaign saying, "Vote for Senator KERRY; he has

the courage to vote for higher taxes again and again." Independent group makes an expenditure, let us say, in Massachusetts, in a race in which Senator KERRY is running and they say, "Vote for Senator KERRY; he has the courage to pay for higher taxes again and again."

Now, my question in that hypothetical—I do not know the answer to it. I suspect Senator KERRY does not either, but it will happen repeatedly if this bill passes. Either with or without the Kerry amendment, if this bill passes, this will happen all the time.

In that case, suppose Senator KERRY and his opponent were eligible under the bill. Who would get the independent expenditure response money? Is that an ad for or against the hypothetical Senator in that situation?

The PRESIDING OFFICER. Does the Senator from Massachusetts wish to yield to the Senator from Kentucky to respond to the question?

Mr. KERRY. If I could ask the Senator to repeat the question, I was talking to another Senator—

Mr. MCCONNELL. I am not sure I know the answer to it. I doubt if Senator KERRY does either. It is a hypothetical we are going to see happen repeatedly whether or not his amendment passes. It is one we ought to think about.

Under the underlying bill, let us assume a group got together calling itself Americans for Higher Taxes that really believe we are undertaxed in this country. They go into a Senate race. I picked Massachusetts just as an example. It could be any State. They say vote for Senator KERRY. He has the courage to vote for higher taxes again and again. Independent expenditure in that State. Now, who gets the response money, Senator KERRY, in this hypothetical, or his opponent? In other words, who is being attacked in that ad and how do we make the decision?

Mr. KERRY. I am not sure that I can answer specifically who is being attacked. Let me just make it clear that my amendment does not impact that hypothetical. That hypothetical arises out of the underlying structure of this bill where there are some provisions for independent expenditures. I am happy to address it.

The structure of the underlying bill is such that it seeks to try to address the question of significant amounts of independent expenditures that come in that clearly are calculated to impact the campaign.

I believe there are requirements in the legislation that require the FEC to make a judgment. And the FEC is in this underlying legislation given significantly greater teeth than it has ever had previously because, as we all know, it is a toothless tiger.

Mr. MCCONNELL. I think that is the answer. The FEC would decide who got the money and it would be a tough

question, I guess, to decide whether that independent expenditure was in opposition to or in support of the candidate whose name was mentioned.

Mr. GORTON. Mr. President, I wonder—

Mr. MCCONNELL. A very interesting hypothetical.

Mr. GORTON. Mr. President, will the Senator from Kentucky yield for a question?

Mr. MCCONNELL. Yes, I yield to the Senator from Washington.

Mr. GORTON. Mr. President, I have listened to a portion of this debate on the amendment of the Senator from Massachusetts which seems to me to proceed under a set of assumptions this Senator finds curious. He wonders whether or not the Senator from Kentucky agrees with him.

The first of those assumptions resulted from the question why not let the people of Kentucky or the people of Washington or the people of Massachusetts make this determination themselves, whether or not money which they check off on their income tax returns should go into Senate campaigns as well as Presidential campaigns. But is this Senator not correct in that that decision as it is made today with respect to Presidential campaigns and as it would be made under any of the proposals under this bill is not really money which comes out of the pocket of the taxpayer?

Mr. MCCONNELL. The Senator is correct.

Mr. GORTON. It comes out of the general fund of the United States, out of all of the programs for which the Congress has voted. It does not affect the tax status of the person who makes this election whatsoever.

Mr. MCCONNELL. The Senator is absolutely correct. So what is being given to the taxpayer is the authority to divert that dollar away from deficit reduction, childhood immunization or any other worthwhile purpose of Federal Government. It would be truly voluntary, I would say in further response to my friend from Washington, if it added to the tax bill.

Mr. GORTON. That was the next question the Senator from Washington was going to ask. I suspect that the Senator from Kentucky would not object to a program, at least if it were a supplementary program of this sort, if the taxpayer wanted simply to say I want to pay \$5 more to the Federal Government which it could distribute.

Mr. MCCONNELL. I would not have objection, provided the taxpayer was given a choice with the additional \$5. The taxpayer might want to pay an extra \$5 for deficit reduction. He might consider some other worthwhile purpose. But it is interesting to note that in my State at least, only 10 percent of the taxpayers are willing to give a dollar they have already got to pay to the Government for this cause.

Mr. KERRY. Will the Senator yield?

Mr. GORTON. Another element to another question, if the Senator will yield, with respect to an assumption that he heard on the part of the Senator from Massachusetts which this Senator always finds curious and wonders if the Senator from Kentucky does not believe the same thing.

I believe that one of the assumptions here was that at the present time lobbyists, organizations, profitmaking organizations are using taxpayers' money to lobby here in Washington, DC. This Senator has always found it curious that so many people in politics seem to assume that money which is earned by an individual or by a business and which is retained by that individual or business is somehow taxpayers' money which the Government by its good graces allows the taxpayer to keep rather than taxing them at the rate of 100 percent.

Is it the view of the Senator from Kentucky that money earned by an individual really belongs to the Federal Government except for that which the sovereign should somehow allow him to keep?

Mr. MCCONNELL. The Senator from Washington certainly shares the presumption of the Senator from Kentucky that we are allowed in the Government to take that money away from the taxpayer at their sufferance. About the only good thing—

Mr. KERRY. Will the Senator yield.

Mr. MCCONNELL. That could be said about the current checkoff system for the Presidential election is that Americans are telling us what they think. Millions of them every year are telling us how they feel about diverting a dollar of taxes they already owe to the Presidential election campaign fund. So we know how the voters feel about it.

Mr. GORTON. One final question, and I will yield even the ability to ask questions. The proposal which is before us now, which is to be voted on soon, moves to total taxpayer funding of Senate races under very much the same rationale as general elections for the Presidency are now conducted in that fashion.

But is it not the view of the Senator from Kentucky, as it is the view of this Senator, that the first amendment right to communicate political views, to make one's political views known is not going to restrict in any way, in any significant way whatsoever, the ability of citizens of the United States to spend money to cause their views to be known with respect to a political campaign?

And just as the Senator from Kentucky put up his last hypothetical that when an individual is denied the right to contribute anything to a Senate campaign directly, to the Senator from Kentucky, the Senator from Washington, the Senator from Massachusetts,

the Constitution simply is not going to be interpreted in such a fashion as to prohibit that individual from going out and spending \$1,000 or \$10,000, if he wishes to do so, in communicating his own views, quite independently of the candidate's, with respect to the merits of particular candidates for office. So that all we do is to take out of the responsibility of the candidate and place into an amorphous responsibility of whoever wishes to spend money the responsibility for messages which voters are receiving.

In other words, an individual is still going to be able to spend money for a Senate race, is that not correct, and spend it pretty much how they want, except they cannot spend it on their own behalf?

Mr. MCCONNELL. Mr. President, the Senator is quite correct. The first amendment to the Constitution makes it impossible to restrict all kinds of political expression. So what happens—we know this because we have had 15 to 18 years of experience with the Presidential system—if you could envision what would happen when you put a rock on Jell-O, the money simply oozes out to the side in undisclosed and unlimited amounts.

What would happen, with or without the Kerry amendment, is we would not in fact have 90 percent publicly funded elections. There would be money spent in other ways.

Mr. GORTON. Soft money expenditures other than through political parties are not regulated at all by this bill, are they?

Mr. MCCONNELL. The Senator is correct. There is absolutely no provision in either the underlying bill or in the Kerry amendment that would limit or disclose—even disclose—nonparty soft money, the real sewer money in American politics. So it is absolutely certain that there will be an explosion of spending through those uncharted channels—unreported, unlimited, and unknown to the American people—a virtual explosion, as we have seen in the Presidential system, through party soft money and nonparty soft money.

Suffice it to say that spending limits will not work, whether you have 20 percent of the general election funded by the taxpayers, 50 percent of the general election funded by the taxpayers, or 90 percent of the general election funded by the taxpayers. They simply cannot work consistent with the first amendment.

So we know what will happen. We will squander millions of dollars of taxpayers' money. In fact, even though the act of checking off is voluntary, that will divert that tax money away from ways that the 83 percent of the American public that did not check off might have wanted to see that money be spent. In other words, 83 percent of the people who do not check off might want to see that money spent for defi-

cit reduction, but the 17 percent who make the voluntary act of checking off have the power to budget, if you will, to spend, if you will, the money belonging to all of us as a result of taxation.

So what we would do here, I gather, under the Kerry amendment, is raise it to \$5. The reason they need to do that is the participation is slowing, sliding down the razorblade of life. So you have to get more money out of fewer and fewer people who have any enthusiasm at all for the notion that tax dollars should be spent on our campaigns.

Mr. GORTON. I thank the Senator.

Mr. MCCONNELL. I thank my friend from Washington.

Mr. KERRY. Mr. President, will the Senator yield?

Mr. MCCONNELL. Mr. President, I have the floor.

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

Mr. MCCONNELL. It is my understanding that a number of Senators would like to vote around 5 o'clock.

Mr. President, I want to further point out, I am trying to get a sense of when a number of Senators over here would like to vote, if that is possible. It might not be achievable. I had suggested to my friend, Senator KERRY, yesterday, in a discussion of other amendments, that it would be possible.

Mr. KERRY. Will the Senator yield for a point of information?

Mr. MCCONNELL. For a point of information only.

Mr. KERRY. In terms of the capacity vote, there are a number of Senators who want to speak here.

Mr. MCCONNELL. It may be impossible.

Mr. President, I retain the floor.

Let me just say that I said to my friend from Massachusetts yesterday, as we were discussing another amendment, I had thought that when the Kerry amendment on so-called full funding of congressional elections was offered, that it would be constitutional. And it could have been made constitutional just like the Presidential system was if it took all the penalty features out.

The reason Ronald Reagan and George Bush, who were opposed to public funding of elections, agreed to accept the money is because the subsidy is very generous. The way the Congress in the midseventies made the Presidential system constitutional was to make it truly voluntary and very generous. You could make this bill constitutional.

I had hoped that my friend from Massachusetts, in his zeal to have full public funding, would at least cure the constitutional problems but, alas, he has not done that. We still have the punitive provisions in where you get punished if you exceed above the spending limit. We have these tax dollars triggered for independent expenditures to counter those. Resumably, the loss of the broadcast discount is still in there.

I had hoped that Senator KERRY would offer an amendment that was constitutional, because as you provide more and more public money, the presumption is that it becomes more enticing. So you do not need to bludgeon people into accepting it.

As the Senator from South Carolina said this morning, in proposing a constitutional amendment, this underlying bill is blatantly unconstitutional. The Senator from South Carolina said that today. He knows it is coercive. Any plain meaning of the bill and the amendment shows that there is nothing voluntary about it.

So I had hoped that I would be able to say to my friend from Massachusetts: You have done a perfectly straightforward thing. You have said that we want to have full public funding, to get the private dollars out of the campaigns, and we want to make it truly voluntary in order to make it constitutional.

But, alas, the Kerry amendment, unfortunately, is twice as expensive and still unconstitutional.

Mr. President, I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I just would like to respond very quickly to a couple of comments. First of all, my colleague from Kentucky points to the fact that only 10 percent of the citizens in Kentucky are participating. That is all it takes. If 10 percent of the people of this country participate, this works.

One of the reasons that it has been trailing off—indeed, it has been trailing off—is people hate politicians and politics, and they hate what is happening here. If they thought that there was a valuable reason to contribute to the process, as they did right after Watergate, when there was a sense it was real reform, we are willing to bet that Americans would once again participate.

My question to the Senator from Kentucky remains: Why are he and others afraid to let an American make a choice? If only 10 percent today are making the choice, that is understandable. I am willing to bet that a much higher percentage will make the choice if this is truly explained to them, and if they see they are freeing themselves of the larger interest.

The Senator from Washington says: Why should we take the hard-earned money of these big corporations away from them and make them pay?

The point is, it is not the money they keep; it is the money they get to make because they get a tax deduction, which is a tax expenditure. Every deduction we allow a company to have is money we lose from the Federal revenue. If we give away money to a corporation because it can come to Washington to lobby us, that is money that the taxpayer has to pick up. The citi-

zens of Kentucky are paying more today because the big corporations are getting to deduct their expenses. But the average citizen who comes here does not get to deduct it. The average citizen who picks up the telephone does not get to deduct it.

I simply say to my colleague that what this does, it simply gives the people a choice and evens the playing field.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. BRADLEY].

Mr. BRADLEY. Mr. President, I am tempted to begin with kind of a series of questions that get to the question of the metaphor for a rock in Jell-O. But I am going to refrain from that direction, and instead confine my comments to the bill before us. I am cosponsor of this amendment, and I am very pleased to be a cosponsor of this amendment.

We often talk in this body about, really, the States are where the real experimental things are being done on the great national issues; it is the States that are in the forefront of dealing with some of the thorniest problems that confront our political economy.

Over the last decade, States indeed have become great laboratories of democracy. Local governments have tried to come up with innovative solutions to the problems which the Federal Government has been unable to address in any meaningful way.

For example, the State of Oregon has not waited for national health care reform; they have instituted their own. All of us are watching what happens in Oregon very carefully. We want to learn from their experience and perhaps apply some of those lessons on a national level.

And then true education reform is taking place in the States. States as diverse as Indiana and Texas are acting on many problems that we at the Federal level have been talking about, and they are acting in very innovative ways, with programs aimed at dealing with the basic problem, which is how to assure that all of our children get a good, basic education and that our most talented children are challenged at levels that will give them the greatest opportunity for personal growth. These things are happening in the States. In State after State, on issue after issue, there is great innovation.

So, Mr. President, in my State of New Jersey, I would like to talk about innovation that has been going on there for a long while. It is called "public financing of gubernatorial campaigns." Public financing is available in both the primary and the general election in New Jersey, after candidates have raised the threshold amount that qualifies them to receive the matching funds. Even as the distinguished Senators on the other side of

the aisle are making the last stand against public financing, we find that three Republican candidates for Governor in New Jersey are running their campaigns, advertising on radio and television, contacting voters today, with public financing in New Jersey, total public financing in a primary, to be followed by public financing in a general election.

At a time when many of us are looking to States to see what has worked, I believe what this body and what this town needs to do is to look for some real-life examples, such as New Jersey, where public financing has worked exceedingly well. How has it worked in New Jersey? Is there competition? You can be sure that there is competition. The system became law in 1974, and since then, we have had four gubernatorial elections under public financing—two Democratic victories, two Republican victories. Opening up the process? Absolutely. While there is a front runner in the gubernatorial nomination, we have four credible candidates, none of whom lack the funding to conduct a dialog on the issue with the people of New Jersey.

After the June 8 primary, there will be a tight and tough race, no question about that. It is going to be hard fought on the airwaves and on the streets and on the ground in the State of New Jersey, but it will be fought on an even playing field. When it is over, no one will doubt that the people of New Jersey made their decision based upon the character of the candidates, their records of public policy, and their programs for the future. It is an even playing field. Both the Republican and Democratic candidate will have spent the same amount of money, and that money will have come from a single interest with the biggest stake in the outcome of this gubernatorial election, and that interest happens to be the people of New Jersey.

I think that most of us believe that is what campaigns should be like—the unregulated competition of ideas and political philosophies that give voters a choice and a voice in their democracy. But this marketplace of ideas does not exist when the resources are so one-sided that only one candidate's programs are discussed and only one set of ideas are debated. It is not always working that way, that the candidate with the most money is going to win, but it works that way the overwhelming majority of the time. There is no question about that.

Well, the Supreme Court has said that in this age of mass communications, money is necessary for political communication. The Supreme Court does not like spending limits on campaigns because these limits inherently restrict the ability of candidates to communicate. In fact, the Supreme Court also sees contributions to candidates as a form of speech. They call

it symbolic speech under Buckley versus Valeo. I am not a lawyer, and there are a lot of good lawyers here; the distinguished Senator from Kentucky is one. There are lawyers on both sides of the aisle. Therefore, I am not involved in debating the points of the Supreme Court decisions. But to those of us who are not lawyers—and there are a few of us in this body who are not lawyers—the crux of the problem in our current system seems to be that money buys more freedom and more speech. There is no question about that. The more money you have, the more opportunity you have to get your point of view over to your constituents—on the airwaves, in the mall, in direct voter contact.

Over the past several years, as we have debated the issue of public financing and the issue of campaign finance reform, I have learned that there are more kinds of money involved in campaigns than I would ever have dreamed possible or likely. For example, let us just think about it. Just go down the list of the various kinds of money we have. There is hard money and there is soft money. There are coordinated expenditures and the Federal match. There is bundled money and earmarked money. There is PAC money and individual contributions, and on and on and on.

We already have a system that is complicated and almost incomprehensible to those who do not work full time on campaigns for a living. Thank heavens that is not most of the American people. It is a special class that everybody hires to make sure everything is done properly; it is a special class. No wonder people feel shut out of this system.

The problem with campaign reform as embodied in this bill, and in other bills, absent the amendment we are now considering, is that it stops short of full public financing. The only clean, guaranteed, disinterested money that you will ever find in a campaign, in my view, is public money. Why is that so? Why do I think it is only going to be solved when we have public money that the taxpayers check off, and you get only what they give you? I think it is because we cannot draw distinctions between private moneys in a way that will ever be truly meaningful.

When it is all private money, it is hard to say that some sources are good, and some sources are bad. Individual contributions can come from college roommates, from someone who liked a speech they saw on C-SPAN, from a friend of a friend, from somebody who likes the way you look—it does not come to me too often that way, but it goes to some—from someone who thinks the contribution will gain access, or whatever. It can be perverse, or it can be naive. It can be idealistic, or it can be coldly calculated.

We cannot legislate what is in peoples' hearts out there when they con-

tribute to candidates. That is why there has to be the threshold that says it has to be public financing, because then we do not have to look in people's hearts or attribute motives to people or subject all of us to innuendos because of personal contributions that we know came for one reason, but outside it is subjected to innuendo and it is implied that it came for a different reason.

I do not believe that working our way through the maze of political money and contribution limits would truly reform the political process. Those who want to game the new system will find ways to game the new system, just as with the current system. We would find ourselves back here sooner or later wondering why anti-incumbent sentiment is so hot out there in the country and asking ourselves how can we restore public confidence.

This amendment happens to be the way we restore public confidence. Short of it, we will not. With all due respect to all those who have been a part of this particular bill and who put it together over long hours, this is not the final word. It is not even the best word.

It is not even the best word. It is a step forward. But if we do not go to public finance we are going to be back here in 5 years, 8 years, 10 years when other people have figured a way to game the system, and we are going to be asked the same kind of questions.

The bill that we have introduced I think simplifies the political system and opens up the doors to everybody by funding campaigns equally for challengers and incumbents with what I have said, with the only clean money that exists. That is public financing. At a time when we are looking at the difference between spending and investing, this is clearly an investment not in roads or bridges but in something far more fragile and infinitely more precious, and that is democracy and our future.

I think what we have accomplished with public funding is ensuring that everyone has a voice and feels that they have been heard, everyone participates and everyone benefits when they are engaged in a dialog, it offers voters a real choice, and no one feels shut out of this process.

I have been struck during this debate, when the other side discusses public financing for Senate races they keep talking about "making the American people pay for our political campaigns." I am struck by the presumption of ownership in that particular statement "make the American people pay for our political campaigns"—ours.

Well, I do not think that campaigns for the U.S. Senate are our campaigns any more than these are our seats, our seats in the U.S. Senate. This is not my seat in the U.S. Senate. This Senate seat is a seat representing the people of

New Jersey, and I happen to be here for awhile. I am a temporary occupant. I am working on behalf of the real owners, the people of New Jersey. And every 6 years they have an opportunity to decide whether to fire me or rehire me for another term. I get an opportunity to make my case to them. They get an opportunity to say yes or no. When I make my case to them it is not my campaign, it is a campaign that belongs to the voters as surely as this Senate seat belongs to the voters and the people. It is their process to make their decision.

Mr. President, this amendment will go a long way to assuring that it remains, and in a real sense, their process. So I say let us give campaigns back to the people of this country. Let us make sure that everybody feels their voice is heard, and let us make the national interest the loudest voice we hear in our campaigns by passing this amendment. Then we will try to explore in depth the meaning of the rock on the Jell-O.

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

Mr. KERRY. Mr. President, I thank the Senator from New Jersey not just for his support but much more importantly for the quality of his statement.

I think the Senator from New Jersey is one of those few people in the Senate who, by virtue of a combination of hard work and stature and reputation, has the ability to raise more money than anyone else in the Senate.

I think it is fair to say that if you have a Senator who has the easy ability to raise that kind of money and yet comes to the Senate and says "Look I can always out-distance my challengers, but I do not think it is right," I think that is a very significant statement and it underscores the importance of this particular effort.

I thank the Senator from New Jersey for that.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. BOREN. Mr. President, will the Senator yield a moment for a unanimous-consent request.

Mr. DODD. Yes.

Mr. BOREN. Mr. President, I would like to ask my colleague—and we do not need to put time under control or divide it between sides, or anything else—would there be any objection to us, so colleagues can plan, setting a time, say at 6 o'clock on or in relation to the Kerry amendment?

Mr. KERRY. I think it is important to have some sort of understanding on time so that folks who want to speak have an opportunity to speak. If we just have an open-ended effort, one person can obviously talk the whole time and we would not be able to get people a fair opportunity to speak.

Mr. BOREN. Mr. President, I ask unanimous consent that the vote on or

in relation to the Kerry amendment occur at the hour of 6 o'clock; that of the time remaining between now and 6 o'clock, 45 minutes, be under the control of the Senator from Massachusetts and 10 minutes under the control of the Senator from Kentucky.

Mr. WIDEN. Mr. President, reserving the right to object, and I will object, I think it can all be done by 6 o'clock. I would ask that we not have a unanimous-consent agreement. I can assure the Senator that I will speak no more than 15 minutes, but I do not want to be in the position that I might not have the opportunity to do that.

Mr. KERRY. Mr. President, I think it is fair to say—I know the Senator from Connecticut only wants 5 minutes. I think the Senator from Minnesota does not have very long. I do not have very long. Why do we not say do it as close to 6 as possible?

Mr. BOREN. Are there any others wishing to come over and speak?

Mr. KERRY. Yes. Senator GLENN was here and left. I think he may want to return. I have confidence we can do it within the vicinity of 6 o'clock.

Mr. BOREN. All right.

I withdraw the request.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, let me commend the Senator from Massachusetts and cosponsors of this amendment.

This may not be perfect at all, but I do not know of a way in which we are going to be able to advance the process of campaign finance reform. The distinguished Senator from Oklahoma is on the floor and he has engaged in a herculean effort over the years, along with the majority leader and others, to put together a campaign finance reform proposal.

My personal hope is, of course, that the proposal of the Senator from South Carolina may one day prevail and we can cut through a lot of this to provide some limitations on campaign expenditures overall. But in the meantime, the only way we are going to be able to inject some degree of sanity in some of this is through the process the Senator from Massachusetts, Senator KERRY, is offering us. I commend him and other cosponsors for their efforts in this regard and lend my support to it.

Mr. President, I ask unanimous consent if I may proceed as if in morning business to discuss another subject.

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

Mr. DODD. Mr. President, I will be brief. I apologize for interrupting this particular debate, but before we adjourn later this evening and tomorrow or several days I wanted to once again raise an issue that I know is extremely important to virtually all of my colleagues. I raised it in the past and will continue to do so.

LOST YOUTH

Mr. DODD. Mr. President, I rise today to again draw my colleagues' attention to the face of America's youth. Specifically today, I want to talk about the waste of individual lives, about those who grow up in the war zones of U.S. cities, without hope, often without love, and with despair a constant companion.

NEW YORK TIMES SERIES

Last month the New York Times ran a series of 10 articles, called children of the shadows, about these youth. I want to first commend the Times for this important series, and I recommend it to my colleagues.

Mr. President, I ask unanimous consent that the April 13 article in the Times series—titled "Fernando, 16, Finds a Sanctuary in Crime"—be printed in the RECORD in its entirety at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. DODD. Mr. President, Fernando's story, as chronicled by the New York Times, is a heartbreaking tale of lost youth. It is the story of hopelessness, of despair. Fernando is from Bridgeport, in my own State of Connecticut. Many think of Connecticut, the State I represents, as a wealthy State. Indeed, we have the highest per capita income of the entire Nation. Yet my State also has some of the poorest cities in the Nation, and with that poverty comes degrading, inhuman conditions for children.

Connecticut is perhaps a quintessential example of the gap that has developed in this country between rich and poor—a gap that has so divided social classes that social mobility is an impossible dream for many young people.

BRIDGEPORT STATISTICS

"Poverty is the worst form of violence," said Gandhi, and in Bridgeport we see the ravages of this truth. Statistics tell the Bridgeport story, although they do not put a face on it: One in three Bridgeport children live in poverty; 83 percent of public school students are economically disadvantaged; 42 percent of the sheltered homeless in the city of Bridgeport are children.

And it goes on: Nearly one in five Bridgeport births is to a teenager—more than twice the rate for the State as a whole; nearly one in five women giving birth in Bridgeport hospital in 1991, had some level of drugs in her system. One in five Bridgeport victims of homicide is 19 or younger.

Bridgeport is in Fairfield County. Many associate Fairfield County with the communities of Greenwich and Westport and Darien, CT, affluent suburban communities.

Bridgeport, CT, is very much a part of that county and yet the tale of people who were raised in that community is vastly different from the children

and families who live in the suburban neighborhoods.

This child, Fernando, the face behind these statistics, was abandoned by his mother when he was just a few months old. Relatives say his mother got tired of being beaten by Fernando's father. Fernando lived with his grandmother until the age of 8 in one of Bridgeport's public housing projects.

Mr. President, I recently toured one of those Bridgeport housing projects, and I cannot begin to describe to you, or my colleagues, the desolation I witnessed in this city in my State.

Walking with the chief of police and other officials, the deals were going down right ahead of us, and right behind us, as we cut a swath of temporary law and order down a street where, police tell me, 15 percent of the murders in the State take place. Garbage was piled everywhere, buildings were boarded up or burned out.

The local elementary school—the Munoz Marin School—has to bus children who live within one-and-a-half blocks of that school because of the danger to their lives. One-and-a-half blocks they have to bus children because of the danger to these young people.

I met with teenagers from that neighborhood—honor students who attend a magnet school in that area—who fall asleep at night to the sound of Uzis and AK-47's. These teens are angry; they are frustrated. They feel the system in many ways, has let them down, and Mr. President, regrettably, I think they are probably right.

One of these honor students, Liany Arroyo, is the same age as Fernando. Liany worries she will not survive to go to college. But the honor student Liany has something drug-dealing Fernando did not get—the concern of consistent, caring adults. Liany has lived her life with a loving mother and grandmother who worry and care about her and have all of her life.

Fernando's grandmother died unfortunately, when he was 8, leaving him to be passed from relative to relative and friend, sometimes living with a father who drank, used drugs, beat and terrorized him, according to relatives. For 5 years of Fernando's young life, his father was in jail. Fernando used to call himself a hand-me-down Raggedy Ann Doll; he used to say, "I'm going to end up like my father."

Asked now where he will be in 5 years, and I will quote him for you from this story, Mr. President, this 16-year-old says, "I will either be dead or in jail."

Shocking though his resignation may be, should it really surprise us? We as a society allow our children to be kicked around, treated like hand-me-downs, exposed to poverty, violence, and drugs—both at home and in the streets—and then we ask why? Why

does he, or she, join a gang, why does he, or she, sell drugs, why has he, or she, no ambition for the future? Why are they not trying in school?

Experts have been telling us why for years. Those who study children exposed to chronic danger—war, inner city violence, domestic violence—have been telling us these children develop poor concentration, they daydream, they start having trouble in school at the earliest days. Without intervention and support, they are likely to drop out and end up just as Fernando has predicted—dead or in jail.

The experts say that living in harm's way leads to diminished expectations for the future, so these kids have no stake in what happens to them or to anyone else. Using drugs numbs the pain of living in these circumstances; selling them becomes a short-term solution to poverty and despair. These kids, after all, want what most kids in America want—the latest sneakers advertised on television, the acceptance of their peers.

Gangs become a substitute for family—regretably, sadly—and one can hardly find a more eloquent statement of why a kid like Fernando would join a gang than the Times' quote from Bernardo, a 17-year-old from Manhattan:

You find togetherness and family and support from a gang * * * your mother * * * ain't giving you that hug and that love. Every human being needs love.

I tell you Fernando's story today to illustrate the complexity of the problems surrounding drugs and violence. Is it any wonder the so-called war on drugs in many ways has failed? We have spent a decade pouring money into this failed effort to limit the supply, and unfortunately have done too little to halt the demand that occurs in our cities and streets.

As we prepare to vote for confirmation of Dr. Lee Brown, one of the Nation's most distinguished law enforcement officials, I am hopeful that, as drug czar, he will bring a new, enlightened perspective to drug control.

I noted, Mr. President, the presence on the floor of the distinguished Senator from Delaware, the chairman of the Judiciary Committee, and his deep commitment to these issues. I hope with his help and that of Dr. Lee Brown we may be able to begin to make changes in this area.

I believe he will be able to work with others in the administration and in Congress who, like Dr. Brown, see the broader picture, who recognize the connection between our appalling lack of prevention and treatment and the staggering toll it has extracted: Not only substance abuse, but mental illness, illiteracy, decreased productivity, juvenile delinquency, criminal incarceration—and a homicide rate that far exceeds that of 21 other industrialized countries.

Although we have passed legislation to treat substance-abusing mothers, to prevent child abuse, to improve Head Start, still these efforts have failed to receive funding adequate to do the job. This malignant neglect of children and families has infested our Nation, and it continues to grow and spread maliciously throughout the country.

We have only begun to see the manifestations of this cancerous growth, but the devastation that is already visible should be a wake-up call to all of us.

The story of this young child, Fernando, and many more like him in this 13-part series the New York Times has given us should make it clear, it is not just data, not just statistics. These are stories about individual people, young children on our city's streets, even in the affluent State that I represent, these problems occur as I speak.

So I am hopeful that we will begin to take note and to engage in the most constructive ways of trying to see it. We cannot turn these statistics and these numbers and point them in a different direction.

If we fail to do that, if we do not take some steps to somehow curb the growth of these problems, if we continue to watch these statistics mount and grow, then I fear that the very democracy that we cherish and enjoy is in jeopardy, Mr. President.

So I share these stories with my colleagues and in the hope that they might, or their staffers might, look and read some of these articles if they missed them so these do not just become statistics, but become faces, so the people will take note and together we might try and find some common solutions so that in the next generation the Fernandos and Bernardos that I talked about here today might enjoy the opportunities of that young Miss Arroyo that I talked about, the honor student with loving and caring parents, and with a future that offers hope, not death or jail as the option.

Mr. President, I yield the floor.

EXHIBIT 1

[From the New York Times, Apr. 13, 1993]

FERNANDO, 16, FINDS A SANCTUARY IN CRIME

(By John Tierney)

BRIDGEPORT, CT.—Fernando Morales was glad to discuss his life as a 16-year-old drug dealer, but he had one stipulation owing to his status as a fugitive. He explained that he had recently escaped from Long Lane School in Middletown, Conn., a state correctional institution that became his home after a police officer caught him with \$1,100 worth of the heroin known as P.

"The Five-O caught me right here with the bundles of P," he said, using street slang for the police as he stood in front of a boarded-up house in Bridgeport's East Side. "They sentenced me to 18 months, but I jetted after four. Three of us got out a bathroom window. We ran through the woods and stole a car. Then we got back here and the Five-O's came to my apartment, and I had to jump out the side window on the second floor."

WHAT FUTURE?

Fernando took off in December, and had been on the run for weeks. He still went to the weekly meetings of his gang, but he was afraid to go back to his apartment, afraid even to go to a friend's place to pick up the three guns he had stashed away. "I would love to get my baby Uzi, but it's too hot now."

He knew the police were still looking for him, which was why he made a special request before agreeing to be interviewed.

"Could you bring a photographer here?" he asked. "I want my picture in the newspaper. I'd love to have me holding a bundle right there on the front page so the cops can see it. They're going to bug out."

The other dealers on the corner looked on with a certain admiration. They realized that a publicity campaign might not be the smartest long-term career move for a fugitive drug dealer—"Man, you be the one bugging out," another dealer told him—but they also recognized the logic in Fernando's attitude. He was living his life according to a common assumption on these streets: There is no future.

When you ask the Hispanic teenagers selling drugs here what they expect to be doing in five years, you tend to get a lot of bored shrugs. Occasionally they'll talk about being back in school or being a retired drug dealer in a Porsche. But the most common answer is the one that Fernando gave without hesitation or emotion: "Dead or in jail."

The story of how Fernando got that way is a particularly sad one, but the basic elements are fairly typical in the lives of drug dealers and gang members in any urban ghetto. He has grown up amid tenements, housing projects, torched buildings and abandoned factories. His role models have been adults who used "the city" and "the state" primarily as terms for the different types of welfare checks. His neighborhood is a place where 13-year-olds know by heart the visiting hours at local prisons.

It is also a place where drugs and gangs are always around and parents are often missing. When Fernando and his relatives try to explain what went wrong in his life, they see a cycle over two generations. It began with a father addicted to drugs and alcohol, chronically jobless, prone to battering and abandoning his family. By the time death came, the son was on the street selling the bundles that destroyed the father.

THE FAMILY: A MOTHER LEAVES, A FATHER DRINKS

Fernando Morales was born in Bridgeport on Sept. 16, 1976, and his mother moved out a few months later. Since then he has occasionally run into her on the street. Neither he nor his relatives can say exactly why she left—or why she didn't take Fernando and her other son with her—but the general assumption is that she was tired of being hit by their father.

The father, Bernabe Morales, who was 24 years old and had emigrated from Puerto Rico as a teenager, moved the two boys in with his mother at the P.T. Barnum public housing project. Fernando lived there until the age of 8, when his grandmother died.

"She was the only one who was really there for him, and it was terrible for him when she died," said Camilia Mendez, an older cousin who lived there as well. "At the funeral he was going crazy thinking about one night his uncle came in drunk and started hitting her. Nando tried to stop it. He picked up a pool stick and swung it at his uncle, but it hit her by mistake. At the funeral he kept screaming out her name and

saying, 'I'm sorry, I didn't mean to hit you.'"

"VERY BAD LIFE"

After that Fernando and his brother Bernard lived sometimes with their father and his current girlfriend, sometimes with relatives in Bridgeport or Puerto Rico. They eventually settled with their father's cousin, Monserrate Bruno, who already had 10 children living in her two-bedroom apartment.

"Nando's had a very bad life—different parents all the time" said Mrs. Bruno, who is now his legal guardian. "Living with his father was bad for him. The father would get drunk and beat him up. One time Nando came over here crying at 3 in the morning and said his father wanted to cut his penis off with a scissors."

Fernando was reluctant to talk about his father or the traumas of his youth. He said he had fond memories of his grandmother and of his two years in Puerto Rico—"They don't sell there on the streets"—but not much else.

"I used to always bug out," he said. "They had to lock me in my room all the time. One time in school the principal made me bend over and whacked me, so I got mad and picked up a chair and hit him in the head. My father's sister took me in for a little while, but she didn't like me because I used to beat up her kids and make trouble. I used to burn things—if I see a rug, I get some matches."

His relatives say they tried but failed to give him the parental guidance that was missing. He seemed lost and would sometimes refer to himself as a hand-me-down Raggedy Ann doll. When the mood struck he would go to video arcades instead of school. He often dismissed his relatives' warnings or help by saying, "I'm going to end up like my father."

His father, by all accounts, was a charming, generous man when sober but something else altogether when drinking or doing drugs. He was arrested more than two dozen times, usually for fighting or for drugs, and spent five years in jail while Fernando was growing up. He lived on welfare, odd jobs, and money from selling drugs, a trade that was taken up by both his sons.

At times he tried to be conscientious. Fernando's second-grade teacher, Richard Patton, recalls that Fernando's father was one of the few parents who picked up his child every day after school. But then he started showing up drunk for parent-teacher conferences, and before long he was off to jail.

Fernando's brother Bernard, a year older, also traced their problems to their father. "They be saying you can live anywhere and it don't affect you—that's stupid. It would have made a difference if we would have had somebody taking care of us. My father would always say, 'Stay in school, don't drop out, don't drink or do drugs.' But he never did anything about it himself, so what's the use? It's funny how you can learn to memorize those words."

THE INDUSTRY: MOVING UP IN THE DRUG TRADE

Fernando's school days ended two years ago, when he dropped out of ninth grade. "School was corny," he explained. "I was smart, I learned quick but I got bored. I was just learning things when I could be out making money."

Fernando might have found other opportunities—he had relatives working in fast-food restaurants and car repair shops, and one cousin tried to interest him in a job distributing bread that might pay \$700 a week—but nothing with such quick rewards as the drug business flourishing on the East Side.

He had friends and relatives in the business, and he started as one of the runners on the street corner making sales or directing buyers to another runner holding the marijuana, cocaine, crack, or heroin. The runners on each block buy their drugs—paying, for instance, \$200, for 50 bags of crack that sell for \$250—from the block's lieutenant, who supervises them and takes the money to the absentee dealer called the owner of the block.

By this winter Fernando had moved up slightly on the corporate ladder. "I'm not the block lieutenant yet, but I have some runners selling for me," he explained as he sat in a bar near the block. Another teenager came in with money for him, which he proudly added to a thick wad in his pocket. "You see? I make money while they work for me."

Fernando still worked the block himself, too, standing on the corner watching for cars slowing down, shouting out "You want P?" or responding to veteran customers for crack who asked, "Got any slab, man?" Fernando said he usually made between \$100 and \$300 a day, and that the money usually went as quickly as it came.

He had recently bought a car for \$500 and wrecked it making a fast turn into a telephone pole. He spent money on gold chains with crucifixes, rings, Nike sneakers, Timberland boots, an assortment of Russell hooded sweatshirts called hoodies, gang dues, trips to New York City, and his 23-year-old girlfriend.

His dream was to get out of Bridgeport. "I'd be living fat somewhere. I'd go to somewhere hot, Florida or Puerto Rico or somewhere, buy me a house, get six blazing girls with dope bodies." In the meantime, he tried not to think about what his product was doing to his customers.

"Sometimes it bothers me. But me I'm a hustler. I got to look out for myself. I got to be making money. Forget them. If you put that in your head, you're going to be caught out. You going to be a sucker. You going to be like them." He said he had used marijuana, cocaine and angel dust himself, but make a point of never using crack or heroin, the drugs that plagued the last years of his father's life.

At the end, at age 40 the donna was living in a rooming house with Donna Strawn, a middle-aged woman who described herself as his fiancée and as a person with her own history of drugs and prison. Ms. Strawn, who had left behind four children in California, said that she had tried to get Fernando's father to intervene as they saw Fernando drop out of school and sell drugs.

"But he'd just throw up his hands and say he didn't know what to do," she said. "Or he might get upset and go take a drink. He felt really guilty because he wasn't the father he should be."

On his final night, last May 23, Fernando's father and Miss Strawn got into an argument about a stereo speaker of hers that he had sold. "He was out of it," she recalled. "His eyes were rotating in his head. He was ramming me in the face with his head. I told him, 'I have no family here and I'm going to let you kill me? I don't think so.' I got a knife and tried to stab him but I stabbed the bed."

The police broke up the fight and arrested Fernando's father, who was taken to police headquarters and charged with third-degree assault and refusing to be fingerprinted. That night he hanged himself in his cell, according to the police and the Medical Examiner. An autopsy found evidence of acute cocaine and ethanol intoxication.

THE GANGS: LIKE A FAMILY OR DRUG DEALERS?

"I cried a little, that's it," was all that Fernando would say about his father's death. But he did allow that it had something to do with his subsequent decision to join a Hispanic gang named Neta. He went with friends to a meeting, answered questions during an initiation ceremony, and began wearing its colors, a necklace of red, white and blue beads.

"It's like family, and you need that if you've lost your own family," he said. "At the meetings we talk about having heart, trust, and all that. We don't disrespect nobody. If we need money, we get it. If I need anything, they're right there to help me."

Neta is allied with Bridgeport's most notorious gang, the Latin Kings, and both claim to be peaceful Hispanic cultural organizations opposed to drug use. But they are financed at least indirectly by the drug trade, because many members like Fernando work independently in drug operations, and the drug dealers' disputes can turn into gang wars.

MANY WAYS TO DISRESPECT

Gang meetings are often devoted to adjudication or avenging acts of disrespect, which is such a central concept on the streets that the language has evolved with a host of synonyms: you can disrespect someone, play someone, rank someone, try someone, or, when it starts to get violent, beef someone. This can eventually lead to killing someone, which occurred 17 times last year in the 12 blocks of the East Side.

Fernando and the other teen-agers on the street professed to be inured to the violence. They were used to seeing teen-agers in wheelchairs at local night clubs. They casually chatted about gang "missions"—which can range from "beat-downs" of errant members to drive-by shootings—and the proper way to coat a bullet with Teflon so that it would penetrate a bulletproof vest. Fernando lamented that he couldn't yet afford a rocket launcher.

"I like guns, I like stealing cars. I like selling drugs, and I like money," he said. "I got to go to the block. That's where I get my spirit at. When I die, my spirit's going to be at the block, still making money. Booming."

It was hard to tell whether he really believed what he was saying about his life and death. Fernando sounded callous and fatalistic most of the time, but occasionally another side came out. One evening, as he and a friend who was high on angel dust sat in a restaurant laughing about a police car they had stolen, two police officers, appeared at the entrance. The two teen-agers turned quiet and stared uneasily at their plates until the officers left.

Then a waitress, Valerie Mendez, who was married to an older cousin of Fernando's and had known him since childhood, came over to the table. She looked in disgust at him and his gold chain and black stocking cap.

"Are you happy now?" she asked. "That's how its going to be the rest of your life. You did it your way because it was easy, and now you're never going to have a life. You'll always be looking over your shoulder. You were smart enough to know better. Why are you going around like a titere?"

He knew that titere meant hoodlum, and he did not have an answer for her. For a moment he looked like nothing more than an embarrassed, baby-faced 16-year-old. After she went away, he said softly, "No, I don't always want to be a bum. I want to be an actor. That's all I wanted to be since I was young. I always loved cameras and performing in front of people. I like to go on TV."

Man, I be straight, I be so happy, I leave everything on the street."

For a moment, at least, he could imagine a future. But he was not ready to do anything about it.

"I'm chilling now," he said in late January. After the interview he lost touch with this reporter, and the two have not talked since. "I'll be selling till I get my act together," he said. "I'm just a little kid. Nothing runs through my head. All I think about is doing crazy things. But when I be big, I know I need education. If I get caught and do a couple of years, I'll come out and go back to school. But I don't have that in my head yet. I'll have my little fun while I'm out."

OTHER VOICES: YOU DO WHAT YOU HAVE TO DO

The following text was taken from more than 20 hours of discussions with teen-agers from the New York City region. Excerpts appear with each article.

Q. Is there strength in numbers? Do you feel compelled to form a group to survive?

Bernardo Vasquez, 17, Manhattan (A. Philip Randolph High School): If you want to understand gangs look at rap music. . . . There's a group called the Geto Boys. And one of the guys, Scarface, has a song where he's a little kid. And he explains how that little kid found family and togetherness. . . . How you find togetherness and family and support from a gang. You know, like your mother's probably whoring around or something like that. She ain't giving you that hug and that love. Every human being needs love. . . . So if you get it from your brothers and you form a gang.

Zaire Graham, 17, Bronx (High School of Fashion Industries): I definitely think there's strength in numbers, whether it's negative or positive.

Barbara Fuentes, 16, Hartford (Hartford Public High School): The Latin Kings and Los Solidos, and Las Solidas, and the Latin Queens, they think they're a family. . . . but they hurt people. . . . If you're going to hang with somebody you should hang with them for positive reasons.

Q. But why do kids do that?

Wubnesh Hylton, 19, Brooklyn (Hunter College): Everybody has a crew though. Everybody has a crew they swing with. . . . It's just natural.

Q. There are people who say that the drug dealers in our communities are looked up to.

Zaire. They could say they looked up to the materialistic part, or in the power and respect part. They don't see that his life is in danger.

Q. But at the same time, teen-agers look down on people who work at McDonald's. Why?

Wubnesh. Because it's just cheesy, man. It's just like at the bottom. Flipping greasy burgers. You got to wear those clothes. It's just like the worst. . . . So you do what you have to do to get by. And if that means scamming, that's what you do.

Q. How much are you touched by drugs? How much of a presence do drugs really have?

Zaire. I think right now among teen-agers weed is the biggest thing.

Q. Mostly marijuana?

Wubnesh. It's like drinking a soda, you know. Or smoking a cigarette.

Zaire. You ask people 'why do you smoke weed?' Nobody knows. . . . It's like, 'I don't know. I just do it.'

Q. Does it matter that it's against the law?

Juan Rivera, 18, Brooklyn (Bushwick High School): Around my way when people smoke weed they just walk down the street, they walk right by the precinct with it. . . . And

the cops, they don't do anything about it either, you know.

Wubnesh. Everybody sells it. . . . You can grow it on your window sill, you know.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me thank Senator DODD from Connecticut for his statement. It was powerful and it was eloquent.

Let me just point out to the Senator, before he leaves, that these children, these families, these communities, I do not imagine that they would be considered, in the language of high finance and politics today, the heavy hitters or the big players. My guess is that you are talking about people without the financial wherewithal to make the huge contributions.

And I will make a direct tie or a direct linkage to the discussion we are now having on public financing. There are a whole lot of people that are left out of this loop. There are a whole lot of people that do not make these big contributions. And there are a whole lot of people, therefore, who are not well represented in the Nation's Capital, and do not feel represented, and unfortunately I think it is very well the majority of people in this country.

We keep talking about, or some on the floor keep talking, about the cost of public financing of a checkoff, a moderate amount of money. They do not talk about the other costs. They do not talk about the interest in money. They do not talk about the cost that Senator DODD just identified of the people in our country, women and children, disproportionate among these people who are not well represented because they do not have the bucks and they do not get well represented in this game of money and politics.

They do not talk about the costs. They do not talk about the costs of people who are disillusioned with this process because they feel like it is nothing but big money and they cannot "play the game."

They do not talk about the cost of all of the people, many of whom Senator DODD was also speaking about, who cannot even grow up in our country even dreaming to run for President of the United States, because their perception—and it is not just a perception—is that in the absence of some commitment to public financing, either, A, you are wealthy and, therefore, you can run on your own money; or, B, you have to be tied in one more time to the people who are "connected," and they are not connected.

Mr. President, we pay a terrible price. Right now it is Government to the highest bidder; it is democracy on the auction block. And now that I have heard Senator DODD speak, I would like to say we have the functional equivalent right now of a poll tax. We really do. Because for those people who cannot make these big contributions, in many, many ways they are disenfranchised, they are faceless, they are voiceless, they are without the lobby, they are without the political clout.

I want to make a connection, if I could, with just one chart. I am very interested in health care, just as Senator DODD for years has been the leader when it comes to caring about children, families, and stopping the violence.

I am new to the Senate. But a big issue to me is something I made a commitment to the people in Minnesota about. It was to try to make a change in health care policy. "U.S. News & World Report, 1990-1992, The Health Care Industry, Broadly Defined, \$41.4 million." That figure is worth repeating, \$41.4 million. That is soft money, that is PAC money, that is individual money, that is party money. But people know what it is—it is big money.

Is it any wonder at the very time the President and Members of the Senate and the House are trying to push through health care reform for people in the country so they can say to themselves, "Now there will be coverage for ourselves and our children, now we will have some security," so they can say to themselves, "We have a decent package of benefits"—at the very time we try to push through that reform, you have all these frameworks of self-interest and power opposing it?

The tempo of the giving of money is rapidly increasing—\$41.4 million by this industry in the last 2 years. And Senators believe that people in this country do not know that they are left out of the loop; that they do not understand this connection between money and politics; between who has access to decisionmaking here, who can block, who can veto, who can do all that?

They know the power of the insurance industry. They know the power of the pharmaceutical industry. And they know the power of a lot of individual people who can make these huge contributions.

I do not see any way we can have a level playing field, a diversity of candidates, an opportunity for challengers to beat incumbents, and any way we can get disinterested money into the political process and interested money out of the political process without moving in this direction.

I think Senator KERRY's amendment is vitally important. I think it is critically important for this country. Quite frankly, you can cut the issue any way you want to—I have heard my col-

leagues over and over again talk about food stamps for politicians.

As Senator BRADLEY put it, it is not our elections. These are not our seats. This is not our Senate.

When do the elections, and when does this Capitol, and when does this political process belong to people? We are at the point right now in this country where this obscene money chase has undercut the very essence of representative democracy.

I think Senator KERRY's amendment is a huge step toward restoring democracy to this country.

This debate is a test case over whether or not we are going to have a system of democracy for the many, or democracy for the few. I hope we will support Senator KERRY's amendment. I am proud to be a cosponsor of this amendment because I think that is a vote for democracy for the many.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I must tell my friend and colleague from Massachusetts that I have enjoyed this debate. I have been watching part of it on TV. I further want to thank my friend and colleague from Minnesota, Senator WELLSTONE, for his comments. I just could not disagree more.

When we hear all this discussion about how corrupt the system is and when I think of the results, if the amendment of my colleague would be accepted, of having the taxpayers fully fund campaigns, I almost find it to be absurd.

I think the comments that were made by my colleague—

Mr. KERRY. Will the Senator yield for just a minute? I think it is important just to begin with the accurate premise. It is not fully funding campaigns. It is only the general election, and it is only 90 percent of the general election, because there is a threshold limit, and it is only voluntary.

Mr. NICKLES. Mr. President—

Mr. McCONNELL. Will the Senator yield just on the voluntary issue before he begins?

Mr. NICKLES. I am happy to yield.

Mr. McCONNELL. The only thing voluntary about this, I would say to my friend from Oklahoma, is it gives the person who checks off the opportunity to take that dollar away from everybody else. It does not add a dollar to the tax bill. That would be voluntary, if you are willing to add a dollar, or under the Kerry amendment, willing to add \$5 to your tax bill. That is a real act of voluntariness. All the Kerry bill does, like the Presidential system and underlying amendments, is to take a dollar away from all the rest of us—

Mr. NICKLES. Of your tax liability.

Mr. McCONNELL. From all the rest of us who might want to see it spent on deficit reduction or anything else.

Mr. NICKLES. I thank my colleague for his leadership and also for his sense of humor, because this amendment is one of the more humorous amendments we have had offered in the Senate.

To say it is not 100 percent public financing, it is only 90 percent public financing, I find as humorous as well.

I cannot help but look at some of the States. Look at Alabama, the first State on the list, the general election limit is \$1.34 million—\$1,342,000. In the State of Alabama you can raise 10 percent of that; it is \$134,000. After that, the taxpayers are going to pay 90 percent of it, roughly \$1.2 million.

So, taxpayers are going to pay \$1.2 million. Then the eligible candidate is going to get broadcast discounts. They are going to get to buy campaign commercials from the broadcasters, one-half the rate of anybody else in America. I think that is awfully generous when you think about it.

Why should a U.S. Senate candidate get TV time at one-half the rate of the Boy Scouts or anybody else that is trying to do anything in America?

Actually, if you take that \$1.2 million of subsidy, you can actually go out and buy \$2.4 million worth of commercials with it. Also, an eligible candidate will receive reduced mail accounts. Politicians will get to mail at about one-fourth the rate of anybody else in America. You get matching amounts for, if anybody runs an independent expenditure, or if anybody exceeds the amount of the general election limit. We call all this voluntary but it is not voluntary because if your opponent decides not to participate, Uncle Sam is going to come back in and basically double this amount. As a matter of fact—I used the example of Alabama—if an eligible candidate's opponent did not participate, they could get up to \$1.3 million courtesy of the taxpayers again.

So it is a pretty heavy hammer for those who elect and say, no, I do not want to participate, I do not want the taxpayers to pay for my campaign. Uncle Sam is going to come in and give your opponent another \$1.3 million. Wait a minute, they have already given him \$1.2 million under the proposal of the Senator from Massachusetts; they can buy twice as much media as anybody else in America, so that is worth \$2.4 million, and then if your opponent does not participate, we are going to give him another \$1.3 million on top of that.

That is 2.4 plus 1.3, we are up to \$3.7 million, and I have not even added in the cheap mail. I have not added in the independent expenditure amount. And I have not added in the amounts we are going to have if we have independent candidates. My guess is that we are going to have a whole lot of independent candidates filing if we are going to have the Federal Government paying 90 percent of the cost.

Mr. KERRY. Will the Senator yield?

Mr. NICKLES. No, I will not yield this second. I would like to continue just for a moment.

What we are talking about is not just an entitlement program politician, a grab bag for politicians. We are talking about making enormous sums of Federal money available for anybody who wants to run for public office for the Senate.

I understand this does not include the House. And, when you start adding these figures together, they are astronomical. I have been amazed at the cost of the proposal that is now offered by my friend and colleague on the Democrat side. It is enormously expensive.

I mentioned one State, Mr. President. I just happened to pick Alabama because it is first in the list alphabetically. And the value of the subsidies, plus the broadcast discount subsidy, you add all that, you are in the millions of dollars for one State, an average-sized State, Alabama.

Wait a minute, we have 50 States. We are talking about millions of dollars just for one election. So when you consider all the Senate campaigns, you start totaling it up, and we are talking about millions and millions of dollars. We have calculated the cost not just for the 1996 elections but also for the 1998 elections and for the elections in the year 2000, so we would have a 6-year cycle. For the Senate alone, we were up to \$450 million and that was under the previous proposal by our Democratic friends. That is \$450 million just for the Senate alone, and that is a conservative assumption, I might tell my colleagues, because we assume no one exceeds the limits. We assume that everybody participates because of the heavyhandedness of this bill. It is not nearly as voluntary as some people would like to make it out to be.

If you have some people who want to be stubborn and say, "I do not want to participate. I am not going to do it. I am going to go ahead and run my campaign. I am not going to take any subsidies. I am not going to take the discounts," the cost even goes up more because you have the Federal taxpayers matching that excess contribution amount. So the cost could explode.

That is \$450 million over a 6-year cycle just for the Senators. If you add in the House Members, you are talking about a bill that would cost the taxpayers over \$1 billion over a 6-year cycle.

This is not an inexpensive bill. And then when we look at the Kerry amendment, it is even more expensive.

Taxpayers, look out. Taxpayers, the politicians in Washington, DC, are making a raid. There are a lot of people in here who want to get more tax money. They want to have tax money to finance their campaigns, and I think it is really pretty humorous.

I compliment my colleagues, I guess, for being very forthright. They say we want the taxpayers to pay for 90 percent of their general election campaigns. I think it is a ridiculous idea. I think it is one of the worst ideas that we have heard, but at least they are forthright. They are at least being open and saying, "Yes, here is what we want. We want taxpayers to pay for our campaigns."

That does not mean I am not for campaign reform. My colleagues are laughing. We have agreed to abolish PAC's; we could take a lot of the special interest moneys. I heard people say, "Oh, these special interests, they are so terrible." Let us say no one, no group, no entity, period, can contribute over \$1,000. I think that would be a significant reform.

I am happy to support that reform. I think we can make a reform that would say Members would have to raise a majority of their money from their home State or home district. I think that would be good reform. I think we can ban soft money. We can do a lot of things that would be really significant reform, but probably the worst thing that we could do is say we want to open up the coffers of the taxpayers to come in and subsidize and pay for campaigns; that we are going to make the broadcasters offer Senate candidates and House candidates rates at one-half the rates of anybody else in America; that we are going to allow politicians to be able to mail at one-fourth the rate of anybody else in America and make either the postal users or the taxpayers pick up that little subsidy, as well.

No, I do not really believe that the American people are knocking down our doors and saying, "Please, we want to finance your campaigns through tax dollars. We really want to see the deficit go up so we can be paying more for your campaigns." I do not really think that is the case.

If they add up the total cost of the amendment of the Senator from Massachusetts, which would easily exceed a billion dollars over the next 6 years, or if they just add up the total cost of the underlying proposal, as originally introduced, the so-called leadership substitute that we will be voting on soon, I think taxpayers will be shocked to see that politicians are getting ready to make a raid on Federal tax dollars. Maybe we should declare Christmas in November and make American taxpayers Santa Claus.

Mr. President, I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I think what is neither shocking nor humorous is the fact that the Senator from Oklahoma has given a terrific speech—but not about this amendment, not about my bill. He is talking about \$1 billion in costs. There is a fixed cost here, and

it has been articulated. This is a classic example of a kind of hysterical response that has no relationship to the reality of this amendment.

I do not know what amendment he is talking about. I do not know what bill he is talking about.

Mr. NICKLES. Will the Senator yield?

Mr. KERRY. No, Mr. President, not right now.

This does not open up the coffers in an unlimited fashion. The fixed cost is based on the general election, and in the general election, you have only the major party candidates or somebody who is qualified in a particular State as an independent. You have a fixed cost there, number one.

Number two, if the Senator had read this legislation, he would know that you can only spend that amount of money that Americans have voluntarily chosen to put into the pool. If there is not sufficient money in the pool, there is not an automatic expenditure that covers everybody. You are notified a year in advance that there will not be sufficient funds, and you raise the money exactly as we raise it today for the difference.

So what we are betting on—and the Senator is unwilling to bet on it; he is unwilling to give to Americans the opportunity to make the choice. Ten percent of the citizens of Kentucky make the choice today. Citizens in Oklahoma make the choice today. Somehow, he thinks that we in Washington have cornered the market on wisdom and good judgment about what citizens who pay taxes want to do with their money. We are simply saying give the American citizen voluntarily the opportunity to decide if they want to put \$5 into this effort.

The Senator said this adds to the deficit. Again, he has not listened to the debate. It does not add to the deficit one penny because it is fully offset, more than fully offset, by the giveaway today, the great giveaway that we have in this country that allows big lobbyists to deduct their expenses for coming to Washington to get their special interest legislation.

Before the Senator came to the floor, I gave a long list of all those special interest pieces. We give away billions of dollars in Washington to people who stand in the corridors outside the Ways and Means Committee and the Finance Committee and work their way. You can go back and look at the savings and loan crisis and see what a Congressman from Rhode Island did in the dead of night, taking \$40,000 up to \$100,000, just to make a few bankers very happy. And now we have the savings and loan crisis for \$150 billion plus as a consequence of increased liability in this country. Dark of night; favored legislation; billions of dollars lost to this country because of money, money and politics.

So, Mr. President, I hope my colleagues will debate the right piece of legislation. It certainly would be less humorous.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I appreciate my colleague's explanation. I might mention, he is talking about taking the deniability of deductions for lobbying. That is already in the House tax bill. That is already moving through and may have been voted on. It is part of their deficit reduction plan.

Yes, they are going to raise taxes. They did not say anything about taxpayers paying for campaigns out of the tax bill. I did not know that was part of it. The Senator's amendment says the taxpayers can have a checkoff, but that is not to add \$5 to their tax liability; that is to move part of the money that they are going to pay in taxes away from general revenues to finance campaigns, whether it be Presidential campaigns, or now it would be senatorial campaigns. It has an impact.

They are going to go ahead and raise those taxes anyway. Some of us are going to try and stop it. I hope we will be successful in stopping it, not particularly for this section, but there are a lot of provisions in the tax bill that the House is going to probably pass today that will put thousands of people out of work.

My friend from Mississippi made an excellent speech that I hope people had a chance to listen to because he tried to tell people what was in the tax bill. A lot of people are not aware of the facts. They heard people on the TV shows, and so on, talk about the tax bill being a bill that was going about 1 for 1, spending cuts versus tax increases. That is not the case.

The facts are the tax bill that the House is voting on has \$291 billion in tax increases and \$45 billion in spending cuts; \$6.35 in tax increases for every dollar of spending cuts.

So I think we need to talk about facts. That is what is in the reconciliation package. I might mention, the lobbying expenses deduction is part of that package.

The amendment of the Senator from Massachusetts does say you can take \$5 of your tax liability, that you have to write a check; the check you would write to Uncle Sam is exactly the same; you have no option in writing that check. You are told: Here is the amount of money you have to pay. Now, if you want to direct \$5 of that to go to Senate campaigns, you can do so under his amendment. The net result is the deficit would go up.

Then I want to just touch on the fact that the Senator said, "He obviously does not know his figures." I am looking at the figures on the general election limit. The amendment of the Sen-

ator from Massachusetts says that if a candidate raises 10 percent of the funds, he could get 90 percent of the general election amount paid for by taxpayers directly; 90 percent.

I just used the State of Alabama. Let me use the State of Massachusetts. Let me see what is it. Ninety percent of that amount, general election limit, is \$1,802,418. So 90 percent of that would be about \$1.65 million.

For my State of Oklahoma, for example, our amount would be about \$1.2 million; 90 percent of that, a little less than \$1.1 million.

Well, that is a check that Uncle Sam is going to give me if I participate. And with that \$1.1 million, because of other provisions in the bill, I am able to go out and buy TV time at one-half the rate of anybody else. So, if I get a check for \$1.1 million from the taxpayers, I say, Thank you very much, and then I go to the TV stations and say, I'm a very special person. I am a participating candidate, so I want one-half the rate of everyone else. I do not care if you're a church, I do not care if you're a charitable organization, I do not care if the Easter Seals has a little deal and they just have to pay a little bit. I am a participating candidate and I want one-half the rate. I want one-half the lowest rate for anybody because I am special; I am a U.S. Senate candidate. Now, give me one-half the rate. This is great.

So I take my \$1.1 million, courtesy of the taxpayers because I qualified. How did I qualify? I raised \$100,000. That is not too hard to do. So then I take my \$1.1 million and I can go out and buy a couple million dollars' worth of TV advertising.

I did not even mention the cost of the Independent candidates. But I will tell you if this provision passes, you are going to have more Independent candidates than you can dream of, because everybody that has a cause—they are not even going to be serious about becoming a U.S. Senator, but they have a cause, they want to carry their issue. Maybe it is an issue I agree with or I do not agree with. If they find out that Uncle Sam is going to pay 90 percent of the freight and they are going to get one-half the broadcast rate of everyone else, this is going to be a nice little time for them to sell their cause courtesy of somebody else.

Mr. MCCONNELL. Will the Senator yield?

Mr. NICKLES. I will be too happy to yield.

Mr. MCCONNELL. The Senator makes a very important point. Now the Supreme Court is not going to let the Congress unreasonably deny funds to these Independent candidates that the Senator is talking about. As a matter of fact, we already know that. There is a woman named Lenora Fulani, who has gotten millions of dollars from the taxpayers to run for President. And

Lyndon LaRouche, who I think is currently in jail, has gotten over \$1 million to run for President from these taxpayers.

Now, if we told the American taxpayers the truth about the current checkoff, there would be revolt in the streets, if we just gave them the straight facts about what was going on with the tax dollars they are already being asked to check off. I think some of them are figuring it out because you see it going down to 17 percent.

The Senator is right on the mark. Every crackpot in America who looked in the mirror some morning and said, "By golly, I think I see a Congressman," is going to reach into that cookie jar and get some of those tax dollars. And they are going to be off to the races, and the poor, beleaguered taxpayer of America is going to have to pay it.

I thank the Senator from Oklahoma for bringing up the Independent candidate issue. It is a very important one.

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

Mr. NICKLES. I will be happy to yield.

Mr. KERRY. Let me explain to the Senator again that, while his point is intriguing and he has put it very well, it does not apply to this bill. The reason it does not apply to this bill is that the definition of majority candidate in this country under the Presidential process is such that it is based on the vote you got in the prior election, as the Senator well knows. So a candidate merely running as an Independent does not qualify for the money. They only qualify for matching, because that is all the law currently allows, unless they have been in a prior election and have received a specific percentage of the vote.

It is only the majority candidates as currently defined under the law in the Presidential races who would qualify for the full funding or the 90 percent funding. So, in effect, we cannot have this draconian consequence that the Senator has talked about.

Mr. NICKLES. Mr. President, I appreciate my friend and colleague's explanation of his side. But I happen to think that once you had a system opened up to where a major party candidate and you qualify, and Uncle Sam is going to pay 90 percent of election limits, a million plus for Alabama—let us see what it would be for Mississippi. Mississippi would be about \$1.1 million. When we get into a more expensive State like Texas, you are talking about \$3.8 million.

Mr. KERRY. Again, will the Senator yield for a moment?

Mr. NICKLES. California would be \$5.5 million. So 90 percent of that is what? In my cost estimates, I will just tell my friend I left off Independent expenditures for the first 2 years. I put in a couple of Independent—or Independ-

ent candidates in the last years because I think they would be eligible. I think you would have an Independent candidate who would go to court and say, wait a minute, major party candidates, the Democrats and Republicans, they got a 90-percent subsidy. A \$1 million gift from the taxpayers. Because they were—I think they would sue and be successful in court in gaining access to these subsidies.

Mr. MCCONNELL. Will the Senator yield?

Mr. NICKLES. I will be happy to yield.

Mr. MCCONNELL. The Senator is right on point. The courts will not allow this Congress to unreasonably deny access to public funds to people who are not either Republicans or Democrats. That is how Lenora Fulani has received the money. That is how Lyndon LaRouche received the money. And John Anderson, the first time he ran, got taxpayer money. He would have received more the second time he ran because of his electoral performance. But he was not denied tax money, so the Senator is correct. Independent candidates will be able to get public funding regardless of whether that is in the Kerry amendment or not. The courts are simply not going to allow this body, made up solely of Republicans and Democrats, to deny tax dollars to Independent candidates.

Mr. NICKLES. I thank my friend and colleague.

Mr. President, I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, this debate could be characterized a number of different ways: Rock on Jell-O. I guess you could say that the present system might be characterized as a "bag of golden mud." You could come up with a lot of silly metaphors. It has been characterized as humorous. And maybe there are parts that are humorous.

But one thing is clear. No one misunderstands their self-interest here. That was real obvious. The one thing for certain is no one misunderstands their self-interest. My friend from Oklahoma—he may not have the facts right or he may have them right; I will debate that in a minute. But one thing for sure he has right is his self-interest. He has that part down clear.

One of the problems here, Mr. President, is, it seems to me, that the debate has not changed in a long time. When I first introduced a public financing bill in 1974, one very powerful Senator from Mississippi stood up in a Democratic caucus—he did not even need Republicans to help him then—and said, "I just heard the speech from my young friend from Delaware." He said, "I would like to tell him that if he makes many more speeches like he did, he will be the youngest one-term

Senator in the history of the United States of America."

We walked out of the meeting. One of my senior colleagues in the Democratic cloakroom grabbed me. He said, "Boy, what's the matter with you?" He said, "What are you trying to do with this public funding?" He said, "I've worked for 31 years to build a donor base so I'd scare everybody off. I worked for 31 years. He got me in the corner—it is the God's truth, just like the Senator from Oklahoma will get anybody in the corner in his cloakroom or anywhere else—and he said, "Thirty-one years I worked. I've got it nailed down. No one can raise money in my State against me. What do you want to do, make this even? What's the matter with you, boy?"

That is the God's truth. I will tell you who it was. It was Warren Magnuson. He said, "What are you doing? Are you crazy?" Because the one thing everybody on that side of the aisle knows and a lot of people on this side of the aisle know, if this passes, guess what is going to happen? People with good ideas but no influence are going to have almost as much money to run. And instead of the Senator from Oklahoma, Like the Senator from Delaware, outspending his opponent 3 to 1 last time, he might have to do it on an even playing field. Would that not be tragic. Wow.

I want you all to understand what is going on here. Guys like me, I raise a lot of money. I raised a lot of money the first time because I was the only 29-year-old kid in America running. I was an anomaly. It was kind of fascinating. So, I could attract attention. "Youngest man in history to be elected to the Senate," they said Not true. There was one younger.

The point is I was able to get attention. People listened to my ideas. I was able to start to put together a campaign. I did not raise that much money. I raised \$285,000. But I raised money. I was in the race. But if you are not one of the youngest people in history to be running, if you are not the first woman or the first black, if you are not something that stands out, allowing you to get attention because of the uniqueness of your candidacy, boy, it is awful hard to raise money at the front end unless you go to people who have a lot of money.

I believe 99 percent, 100 percent of the Senators in here do not sell their votes. They do not go and change their views based on a contribution. But they do get a case of clientitis before it is over. What it does is slows the momentum. It results in silence rather than changed positions. It is a nuance. But, it is real.

My friend from Kentucky outspent his opponent 2 to 1 last time—by the way, I outspent my opponent too. We all know how this works. The one thing we do not want to have happen is the

other person having the same amount of money as we have.

I want all of you listeners, all of the people watching this on C-SPAN to understand the reason why we have a hard time passing any public financing. When you strip everything aside, ask any of the people in here, do they want their opponent to have the same amount of money as they have? Do they want their opponent to have the same amount of access that they have to the media? Do they want their opponent to be able to express their ideas and notions to the same degree, to the same audience, with as much frequency as they do? That is democracy. Right?

My friends talk about democracy and the democratization of process and the prostitution of democracy by public funding. Ask them the question. I say to you voters in the 50 States, when you ask your Senators or your Congress persons or your Governors, look them in the eyes and measure the truth of their response. What is the essence of democracy? Equal access to forums, to provide the public an equal opportunity to evaluate your ideas, your character, your positions; to be as exposed to the public as your opponents, and your opponents as much as you are.

If you ask yourself if that is really what we are for, why have we not been able to figure out a way to do that? Do you ever think about that? Why do we not want to put limits on how much we spend?

Forget the Kerry amendment, of which I am a cosponsor, and any portion of public funding. Forget that. As Barry Goldwater would say, in your heart you know I am right. After you ask them, in your heart, make a judgment. My good friends on the Republican side, who are opposed to any form of public financing, I respect their view, who are opposed to any caps on spending, I respect their view, but see if there may not be a pattern here.

Ask yourself the logical question; if you were a juror, is the pattern that you see developing before your eyes one that lends itself to democratization of the process and easy access to the public to know where we all stand? Or, is it self-interest, plain old self-interest? Not corrupt, not immoral, not paid off, not auction-block government, just naked self-interest.

Ask yourself that question.

It is kind of interesting. When I ran for the U.S. Senate, I was 29 years old. I am going to reveal what many of my colleagues already know about me—how stupid I am sometimes and how naive I am sometimes. I will never forget, when I got the nomination, going to the Democratic Party chairman and saying, Mr. Chairman, how do I go about getting the checks for my campaign? It is the God's truth. He looked at me. He said, "I beg your pardon." I said well, I am a nominee now, how do

I get the money to run my campaign? There is a Democratic Party and a Republican Party, and we are going to run against each other.

He looked at me, and he said—and I am paraphrasing; I think it is a quote, but I will say paraphrasing—you are 29 years old, are you not?

That's when I found out the naked truth. You had to go out and ask people for money. You could not ask people who did not have money. You had to go ask the people who had the money. You had to go to them and say, hey, will you help me run for office?

All of these people are good people. But if I walked up to somebody and said, I really would like you to help me in my campaign, they would say, "What do you think about taxing millionaires, Joe?" If I said, "Oh, I do not think they pay enough," how many millionaires do you think are going to contribute to me? What do you think? How do you think it would work?

Or, if I went to labor unions, and they said, we want a strikebreaker law. If I said, "I do not think that is a good idea," how many labor unions would say—tell you what, let me get the checkbook now, I want to help you, because you are an honest, decent man who has good ideas?

They did not exist at the time, but let us assume I went to a women's group—they do not have much money—and said, "I really do not think the equal rights amendments makes any sense, but I would like your help." Do you think they would give me money?

If we are lucky, because there is such a panoply of contributors representing all points of view, you do not get corrupted once you are here. What worries me is not once you are here. I really mean that.

I am the powerful chairman of the Judiciary Committee. Everybody here knows that is malarkey. But out there, people are not quite sure. So as the powerful chairman of the Judiciary Committee, I can find people who agree with my view, not me with theirs. They agree with my view because there is such a broad spectrum of them out there. I can raise the money. I do not have to give away a little bit. I do not have to promise anything to anybody about anything. And because, like the Senator from Massachusetts and many Senators on the Republican side, I have had the opportunity, through the good graces of the people of my State to get around this country a lot, I have supporters in a whole bunch of States. I raise a lot of money.

But you know the person who really is hurt, beyond the public, by the way the system works now? It is the earnest, honest, decent, intelligent, woman or man who wants to be involved in public service and says I am going to run for office, whose ideas may be superior to mine or anyone else on this floor, who wants to participate.

Let me tell you what they have to do, especially if they are relatively unknown. They have to do what I did when I was 29. I remembered at the end of my campaign that everyone was surprised except my deceased wife and me. We were neck and neck with a very decent, honorable, popular incumbent man named Caleb Boggs, a fine man who served in public life, when Richard Nixon was winning my State with 65-68 percent of the vote against George McGovern. I remember my friend from Massachusetts was running for another seat in another State at the time. It was not a good year for Democrats. And my radio advertising—I might add there was not one negative ad I ran, nor have I ever run—seemed to be working. I could not afford television.

A group of individuals, all decent men and women, wanted to see me to consider in the last 12 days of the campaign whether they would support me. These were men and women with significant capability, independently wealthy people, decent, honorable people who wanted to know whether they should support me. They asked if they could meet with me over coffee. They clearly had the capacity to contribute at least \$20,000. For those who know my State, you know the capacity is significantly greater, and potentially much more, than other States.

My sister was my campaign manager and much younger than I was. I want the record to show she is much, much younger than I am.

My sister was managing my campaign, and my brother, who was in his early 20s was raising my money for me. My brother caught me before I got into the automobile to go to the meeting and said, "Joe, we just got a call from the radio station; we have no money left. All of your advertising comes off of the air in 24 hours." This is a true story. "You have no money left, Joe, and we are perilously close to winning this." So I went to this meeting knowing that if I were able to raise \$20,000 to \$30,000, I could keep my radio campaign on, which is all I had, and if things continued, I just may win, which I ended up doing.

We sat down, and these very decent and honorable people—which is their right; they were not trying to buy me—said, "JOE, we are thinking of helping, but we have to ask you a question. What is your view on capital gains?" Most of these people were very independently wealthy people, who had a lot of unearned income from an inheritance and investments. Look, I was not very smart then, and I am not sure I am a lot smarter now; but I was not so dumb that I did not know the right answer for \$20,000. I knew if I said, "I really think we should lower the capital gains rate even lower"—which was the issue in 1972—that I had a very good chance of those people writing checks for me—legally, honestly, de-

cently—for enough money to keep my radio on the air.

I am not sure what possessed me, but I looked at them and said, "Well, I do not think we should lower it." They were polite and nice and offered me another Coke, a sherry, a glass of wine. So I had my Coke, because I do not drink. Then they said, "thank you very much for coming here"

I got in the automobile and was driving down to my headquarters in the Market Street Building in Wilmington, DE, absolutely convinced that I had lost that election, absolutely convinced that my answer to that question denied me the win—which was their right; they were not doing anything illegal. But I felt that it cost me the election. (Mrs. FEINSTEIN assumed the chair.)

Mr. BIDEN. After 2 years of blood and sweat—and all of us have run campaigns here, and many people have been involved in them, it is the most intense undertaking other than armed combat, I suspect; and I have never been in armed combat—I remember turning to my brother and I said, "Jimmy, we lost." He looked at me and he said, "Are you sure you feel that way about capital gains? We have time to turn around." I said, "I am sure."

I ended up winning a statewide election by about 3,000 votes. I was lucky, because a lot of things intervened in the last 10 days that were beyond my control that helped me.

I was honest. But the potential for corruption in the system is at the front end, because the ability of the human mind to rationalize behavior is overwhelming. No one but me would have known what I had said—most people do not know what capital gains are. Nobody but me would have known if I said: "I really think you have a point about capital gains." That is the problem with the system.

The truth of the matter is, Mr. President, the Senator from Oklahoma, the Senator from Delaware—meaning Senator BIDEN from Delaware—and the Senator from the State of Kentucky, none of us, in our hearts, really want a level playing field. None of us really want our opponents to be able to have the exact same amount of money.

I do not think you would get 40 votes in here if Ross Perot, God bless him, passed away tomorrow and left in his will a billion dollars, and if in his will he said: Any Senate candidate who will agree to spend absolutely no more money than their opponent, I will pay for the campaigns of both the opponent and the incumbent Senator; they will have the exact amount of money, you do not have to raise any money, and there are no tax dollars involved. I will bet you my life that none of my colleagues would ask for the money. No taxpayers' money, no involvement, nothing to do with the Government. They would not ask for the money, be-

cause they know if they got the money—and they do not like fundraising any more than I do—their opponent would get the same exact amount. I will bet you anything that none of them would take the money. No strings attached. The donor would be long gone; no influence; no requirements, other than you agree that your opponent gets the same amount of money from the fund, and neither of you will spend any more.

That is the truth of the matter. I respect that. I understand that. But we should stop the charades. It may be that the proposal of the Senator from Delaware from years past on total public funding, and it may be that this proposal—and I strongly support the Senator from Massachusetts in his proposal—it may be that they are not exactly the right way to do it. I think they are, but maybe they are not. But the public should understand the truth of the matter is not that everybody here is corrupt, not that Government is on the auction block—I reject and resent that accusation and that assertion. But the truth of the matter is that we do not want a fair fight. We do not want our opponents to be able to have as much as we have. That is the truth of the matter. And as long as the system remains the way it is, no one is going to voluntarily do it.

I wonder how many people out there who have run for office set a realistically high enough number with their opponent to say: I will spend no more money if my opponent will spend no more than this.

I am up for reelection, if I run again in 1996, and I am prepared to say that I will spend no more than \$1,000 on my race, if my opponent will not.

There is nothing noble about that. I am an incumbent Senator. I can go on television any time I want—not always to my benefit, but I can go on any time I want. I am known by 99 percent of the people in my State. A challenger usually starts out, unless they already hold statewide office, known by no more than 25, 30 percent of the people in their State. So that would be phony of us. But, I wonder if the Senator from Kentucky would say: Next time I run, I promise I will spend no more than \$2 million, if my opponent does that.

I bet he might not get that done. I will bet you. By the way, Democrats are the same. Democrats are not anxious to do that either. So I think it is time we have a little bit of—as they used to say in another context when I was in the Banking Committee a thousand years ago and, thank God, I am not anymore—"truth in lending." Let us have a little truth in advertising here.

The truth of the matter is that the core of this debate is an unwillingness of incumbent Senators—any incumbent: women, men, House and Senate, Governors, State legislators—to see

that their opponent has the same chance to raise the money, to have the same amount of money as they have to run for public office.

Two more points, Madam President: First, there is a lot of creative accounting. By the way, if I were my friend from Oklahoma representing the State and the party he does—and he represents honorably and notably and does nothing wrong and will do nothing wrong, I am confident—I would not want any of this legislation, would you? Why would you want this? I understand and respect it.

But the truth of the matter is, it seems to me, that we engage in a little creative accounting here. This is all taxpayers' money he says, when he adds up these figures. He gives the figure which is the total amount of taxpayer money that can be received and then the 50 percent deduction, which is not taxpayer money, that the television station has to give a candidate to go on the air. He calculates the cost of that and adds that to the bill and says that is the taxpayer payment. He is a worthy debater and imaginative young man, as I used be, and I can appreciate his debating technique. But, in fact, it is malarkey. We all engage in a little malarkey on the floor on occasion, including the Senator from Delaware. But I hope the public is not misled by it.

The other point I would like to make is my friends who oppose any form of public financing, keep telling me how outrageous the public will view this.

They seem absolutely convinced in that proposition, they are certain of it. Well, great. Then there is nothing to worry about because if the public is that upset about it, of course, they will not take any public financing and then they will run on the grounds that that other politician is the pig in the trough, and it will be a very significant political advantage they will have, and they will win more easily than they now win by outspending their opponents by 5, 6, 7, 8, 9, 10 to 1.

So, what is the worry? If the public wants no part of it, is not going to have anything to do with it, it seems to me it is in your naked political advantage to go ahead and not accept public funding.

I find that same story about Presidential elections, and I find it fascinating that people who could easily raise \$24 million or \$38 million who ran for President in the recent past chose not to do it and chose to go the route of public financing.

Why did they do that, I wonder? Did they do that because maybe they understand that the public does not like the way we raise money now? Did they do that because they thought it was a political disadvantage to take public funding?

The Senator from Delaware attempted to get the nomination for his

party for President of the United States. I was conspicuously ineffective, but prior to getting out of the race I raised more money than anybody except one candidate, qualifying me to get matching funds. I left the race with a deficit. I refused to take the matching funds because I thought it would be immoral when I was no longer in the race. So I took no matching funds, although I was entitled to matching funds.

I wish my campaign manager were here. I think it was somewhere between \$900,000 and \$2.4 million that I was entitled to. I do not know the exact number, but it was a lot of money. I did not take a penny of it.

But guess what? Does anybody doubt that George Bush could have raised from the Republican money machine somewhere in excess of \$30 million on his own? If this was such a liability, why did not George do that and say, "My opponent, the distinguished Governor from the indistinguishable State, the fellow who I do not know knows what he is talking about, is taking all this public money, and I took none"? Why did he not do that? Why did Ronald Reagan not do that? Why did every single Republican candidate, save one, not do that? It is because they know the truth of the assertion that the public is tired of this process.

Let me make a closing argument, Madam President. There will come a day when we will have public financing. It will take another major scandal before we get there, and I predict that it will result as a consequence of our colleagues on this floor concluding that it is too dangerous for their integrity and their reputation to continue to raise money individually on their own. Let me tell you why. Not because it is too dangerous that they will be corrupted, but because in order for the Senator from California to run, you have to raise millions of dollars. For every 1 Delawarean there are about 40 Californians. It is an incredibly expensive proposition.

The Senator from Delaware cannot even know the people individually who contribute to him, as much as he tries. We do not have an FBI that works for us.

So what happens? We find out that we get a contribution for \$500 or \$1,000 from Charlie Smedlap. In the middle of the campaign we find out that Charlie Smedlap is an ax murderer. Remember this guy Gacy who killed all those people out in Illinois? Remember during Jimmy Carter's Presidential campaign Gacy showed up at a fundraiser? The President had his picture taken with his arm around Gacy. It turns out Gacy is an ax murderer.

We do not have to go that far. How many of you innocently received contributions from people who were in the S&L industry? I do not mean thousands of dollars—I mean \$1,000—but then

spent \$50,000 telling your constituents you did not know the guy was a crook, because you really did not know the guy was a crook.

When I started off, Madam President, I was 29. I was naive. I am now going to reveal that I am still naive. I think this is an honorable profession. There is nothing, save the clergy, that I can think of where you can help or hurt as many people, do as much good or harm as you can do in public service.

Plato allegedly said the penalty good people pay for not being involved in politics is being governed by people worse than themselves.

That is what is happening. Good people are not getting involved because they have to go out there and raise obscene amounts of money. You say, "BIDEN, if it is so obscene, why do you raise it?" I raise it because my opponent is going to raise it. I have no chance of responding to accurate or inaccurate assertions made by my opponent.

The people of this country know how much it costs to put on a 30-second ad. In the fourth expensive media market in America, Philadelphia, it can cost you as much as \$30,000 for 30 seconds. God only knows what it is in Los Angeles and New York.

We all know if you cannot get on television, you cannot get your message across. So would you rather we go out and find the wealthiest people in America to contribute to us, or would you rather give us five bucks of our tax dollars so we can tell you who we are and so you can find out whether we are fools, whether we are smart, whether we are corrupt, whether we are honest, whether we are good, whether we are bad?

Madam President, I have no illusions about the ability of my Republican friends to filibuster anything and everything. They are very good at it. They are very, very, very good at it. And I have no illusions that if this amendment passes, as I hope it will, we will face the most interesting filibuster you will ever see.

So I also have no illusions about the likelihood that if this passes, we will be required to get 60 percent of this body to have it become law—because, to their credit, it is against their self-interest to see this pass. And the one thing I hardly ever expect, as naive as I am, is a woman and man in public life to operate against their self-interest. And it is clearly not in the self-interest of the opponents of this legislation to have caps on the amount of money that can be spent and at the same time have the prospect that your opponent will have as much money as you have to run the race.

I hear arguments about free speech. The same people who tell me about the first amendment are the first people that want to clamp down on the first amendment in ways that are outrageous.

But there is the kind of free speech argument that we hear today that translates into, just make sure my opponent does not have as much money as I have because, if they do, I might not have as easy a chance of winning.

This comes from a guy who is as good at raising money as most of you, does not do it badly, and fortunately is in a position like most of us here: we can raise it without being corrupted because we can make sure it is from so many different sources.

But when you are a challenger, when you are starting off, if you are a woman, if you are black, if you are somebody who does not come from an institutional constituency, you have a really hard time getting in the game.

And that is what this is all about. We do not want other people in the game. We think—people in this body think—we own this place. We do not. We do not.

That sounds like what I do not want it to sound like. That sounds moralistic. It is just human nature. Nobody wants the other person to have the same advantages they have in making a case in anything.

But it seems to me the exception should be, in a democracy, where we are supposed to compete over ideas, that the other people get an opportunity to have their ideas as broadly and as widely broadcast as the ideas of those of us who now hold the floor.

And hearing myself say that, I have held the floor now, I realize, longer than I wanted, and I now yield the floor.

I thank my colleagues.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. I rise in opposition to this amendment.

I must say, Madam President, that the remarks of the past few minutes have been very interesting, an autobiography, I guess.

I cannot resist, a little bit of that myself. I think back to my experience in campaigns in Mississippi, going back over 20 years, 16 years in the House and now here in this great body.

But one of the things I was thinking about as the distinguished Senator from Delaware was talking is: How many people have ever come up to me in Mississippi and said, "What we need is public financing of campaigns"? Other than newspapers, nobody.

There is nobody in Mississippi or Delaware saying: "Give me public financing of campaigns."

Mr. BIDEN. Will the Senator yield?

Mr. LOTT. I am glad to yield.

Mr. BIDEN. Madam President, has anyone come up to the Senator and said, "Senator, I hope you are not going to take any of that big oil money," or "I hope you are not going to take any of that big labor money or that big PAC money"?

Mr. LOTT. Very few. Most people in Mississippi say, "Senator, because of your past votes, I want to help you."

And, as a matter of fact, the average campaign contribution in my campaign was around \$129, and a lot of people gave a lot less than that.

That is what they say. They get involved.

I do not have big oil, as you like to say, in my State. We do not have it. And I do not have big labor support, either.

You were talking about being fair, and truth in packaging, having limits on campaigns, and public financing.

But we left out one little detail. We forgot the part of requiring the reporting of sewer money by a lot of the big people, such as labor, that opposed me.

When I got to the shipyard gate every 2 years when I was in the House, and again in 1988, there were people lined up in front of me handing out my opponent's literature, which they printed up.

I was standing there with one campaign person helping me get my material out. And I had to report what we paid that person who worked with me.

All these cats over here; it was not even reported. No limits on that; not even reported.

Mr. BIDEN. I agree with the Senator.

Mr. LOTT. I am glad you agree.

You talk about fairness, great. Put a limit on what you can spend, then give me public financing. Tell the broadcasters, "Hey, give me free time."

But there is one little detail. You get the advantage; some of your friends, our friends, get the advantage of getting this help, and it is not even reported.

I am not saying cut them out. I think we are insane for limiting the ability of parties to be involved in the process. That is what this bill would do, as I understand it.

But then we have this little group over here that is not covered because it is educational.

All I say is, at least let us get out there on the table who is doing what, what is really happening.

I cannot help but give a little bit of an autobiography, too.

When I ran the first time in 1972 as—guess what?—a Republican in the Fifth Congressional District of Mississippi, I was the first live one they had seen. When I went to Buckatunna, MS, and Poplarville, they said, "There comes one. Come on out here." They had never seen one.

I had the courthouse gang and they were, every one, Democrats. Every one of them lined up against me; as did most of the newspapers, most of the media.

I raised approximately \$129,000, in small contributions; probably the average contribution was less than \$50. My opponent raised around \$169,000. He lost.

Now, that is not a great credit to me. It is a great credit to the system. The system is not so stinky, even though it is made to look that way.

Can we improve it? Sure. I would like to improve it. I wish we could develop a campaign finance bill where both sides get two preemptory strikes. We will strike out two things and you strike out two things, and let us see what we can get together on.

Let me give you another example. It can work the other way.

In 1991, in the Governor's race in Mississippi, an incumbent Democrat Governor had \$4 million in Mississippi; 2.6 million people raised \$4 million.

His opponent, who never held an elective office, raised \$2 million and defeated him; with small money, too, by the way.

Mr. BIDEN. Will the Senator yield?

Mr. LOTT. I am glad to yield.

Mr. BIDEN. The Senator will acknowledge that the exception proves the rule.

Mr. LOTT. I am making the point, Madam President, that whoever raises the most money is not necessarily going to determine who wins.

I also want to make the point that in my own campaign in 1988, for instance, 72 percent of my money was raised from individual contributions; 72 percent. The majority of it was in my own State of Mississippi.

Mr. BENNETT. Will the Senator yield?

Mr. LOTT. I am glad to yield to the Senator from Utah.

Mr. BENNETT. As long as we are all being biographical here, I would like to add a little to this.

Mr. LOTT. We need a Utah input here.

Mr. BENNETT. Madam President, conventional wisdom here in Washington is as the Senator from Delaware enunciated it; that is, the candidate who has the most money or the best consultant always wins.

And that was the conventional wisdom that motivated my primary opponent, who spent \$6.2 million in the State of Utah, where we have less than 2 million people.

I see the Senator from California in the chair. My opponent spent more on the Republican Convention in Utah than Mr. Herschensohn spent in California to win the Republican nomination.

He spent ultimately \$47 a vote to lose the primary. He outspent me 3 to 1.

The conventional wisdom that we are talking about here, that says, "I am so terrified that my opponent will have more money than I have," has been proven wrong again and again. And I am glad to add to the Senator from Mississippi's store of examples that that is not true.

Mr. BIDEN. Will the Senator yield?

Mr. LOTT. addressed the Chair.

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

Mr. LOTT. I really like this type of debate, where we actually get involved in a little discussion and exchange; real live debate. I know the Senate is not used to that, so I am delighted to yield to the Senator from Delaware.

Mr. BIDEN. I will not take 30 seconds, Madam President.

I have had the great privilege of serving with the father of the distinguished Senator from Utah [Mr. BENNETT], the elder.

I would suggest the Senator from Utah today has a decisive advantage. There was not 2 percent of the population that did not know the name Bennett, and did not know you all. So that is a mild advantage. It probably took your opponent \$2 million just to get his name recognition to where yours was. So I am not sure this was an exception.

I have great respect for the Senator and his father, both of whom I have served with, and I expect they might have won anyway, if they did not have any money.

Mr. BENNETT. If my colleague will yield, I say to the Senator from Delaware, when I filed I looked confidently toward the first poll. When the first poll came out, my opponent was at 56 and I was at 3 and there was a 4-percent margin of error. So there was a possibility that there was less than 1 percent of the people in the State who knew who I was.

When I put up my signs—

Mr. KERRY. That may well be why you got elected.

Mr. BENNETT. When I put up my signs I remember one fellow walking by and looking at it and saying, "Bennett for Senate, Bennett for Senate—I thought he was dead."

I had to spend the money I had to spend when I discovered the people of Utah, after 18 years with Jake Garn as Senator, had forgotten Wallace Bennett. I am glad there are people in this body who still remember him, but I had to spend the money because the name recognition was not there.

Mr. MCCONNELL. Will my colleague yield?

Mr. LOTT. I yield to the distinguished Senator.

Mr. MCCONNELL. I say to the Senator from Mississippi, the Senator from Delaware raises an interesting point about the well-known candidate. Obviously, the people of Utah had forgotten the name Bennett over a period of 18 years, but let us assume a well-known candidate, an astronaut or sports figure. Talk about a candidate who has an unfair advantage when you have spending limits. The unknown candidate is capped. The candidate starts with an enormous disadvantage.

Every time you jury-rig the process, you give somebody an advantage. If there was any one system that would jury-rig the system in favor of the sports figure, it would be this.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. KERRY. Will the Senator yield?

Mr. LOTT. I would like to go forward with my remarks, but I would be glad to yield to the Senator from Massachusetts.

Mr. KERRY. Again, responding to the Senator from Utah, I think we all know that there are situations in many States where an individual like Senator BIDEN, or the Senator from Utah, have run and there are upsets. We all know that. And it is not a rule that the greater amount of money always wins. We have seen that all through politics—the mayoralty race in New York with major expenditures.

But let me just point to the statistics overall. There is not anybody here who can alter the reality that incumbents have won more and challengers have won less, and challengers invariably have less money to spend.

In the last go-around, the Republican incumbents spent 2 to 1 against the challengers. We all know that one Democrat only, Senator Sanford, was upset. And on the Republican side, 2 to 1, the Democratic incumbents had the money, the Republican challengers did not, and again only one person was upset.

So the rate of turnover historically is extraordinarily low. And it is clearly impacted by who has access to the money.

Mr. LOTT. If I could claim my time, I think this bill is an incumbent protection bill in itself. Let us look at these numbers.

Consider a limit for the election cycle in my State or any State—just pick a State. Say you have a limit of \$2 million. Then you get the public financing, you get free broadcasting time, and you tell your challenger—OK, come on and take this incumbent on. You have a tremendous advantage. The incumbent has the name ID. We has been in office; there are a lot of things he can do when he is in office. So you are going to limit your challenger to a specific amount of money—It will make it extra difficult to take on an incumbent with that kind of limit. Also, having been one on the outside looking in, with the establishment against you, the news media against you—this is an incumbent protection act.

But let me make a few other points here. The Senator from Delaware suggested you have to go to people and ask them for a contribution. Yes, to raise money to run for office you have to get out and work for it. You have to go out there and talk to people, listen to them. You have to sell them on your candidacy.

What is being proposed here is let us get the people out of this thing. We do not want to have to go to the people and ask for their contributions. Let us just give public financing to the can-

didates, and then we really will not have to worry the people. We will tell the broadcasters, "Give us free television."

Do you think we are not going to be sitting in Easy Street up here? We are going to have our campaigns paid for with public financing, assuming there is going to be money contributed that will allow public financing of these campaigns. We are going to get free television. This is going to be a great deal.

We are not going to fool the people with this. The American people are not going to buy public financing where we get a free ride, get up here, get our campaigns paid for and do not have to go out and work with the people, identify with the people—campaign. Somebody said you have to ask the people who have the money; you do not want to ask the people who do not have the money. I think it is a good idea to talk to people who work, have a little money they can contribute to the campaign. They are carrying the load for this deal. What is wrong with that?

Also, if there has ever been a case where there is going to be the camel's nose under the tent—people have this figured out, too. Once we start down this road, we will have total, complete, public financing of campaigns. And if, by the way, people do not check off the \$1 or the \$5, do not worry, believe me, we will get it out of the general Treasury. It will be food stamps for politicians. That is the way it will eventually go.

You say they will check off. Seventeen percent—that is all—check off for the Presidential campaign, and it has been sliding down for years. Do you think with the attitude they have toward Congress they are going to jump in there and say: "Oh, yes, I am going to check off \$5?" I would not check off \$5. I do not check off \$1 for the Presidential campaigns. If I want to contribute to a candidate I am going to contribute to the one of my choice and only that one. I am not going to check off \$5. Some of it might go to some of my colleagues here whom I would not want it to. I do not want a nickel to go to some of them. I will choose where the \$5 goes that I contribute, whether it is a House race, Senate race, or mayor's race. It is called choice. Let us let the American people choose. They can choose to contribute to the candidate of their choice, not choose to contribute to the Federal Government for public financing of the clowns they are seeing performing.

I will be glad to yield to the distinguished Senator from Kentucky.

Mr. MCCONNELL. My colleague referred to 17 percent of the people nationwide checking it off. He might be interested to know in his State of Mississippi—we have a State-by-State breakdown—only 13 percent of Mississippi taxpayers check off that amount.

Mr. LOTT. An extraordinarily brilliant group of people. I have always felt this. People are not going to buy this.

We have heard a great deal today about this issue and other issues. This is not the solution. There are a lot of things we can do to improve campaigns and, hopefully, get people more involved directly in campaigns, but this, in my opinion, is one more step toward shutting people out. We will not need them. We will just pick up our check—in my case, I guess it will be \$1.8 million or whatever it would be—and come on back to the Senate. Let us reject this amendment and get on with killing the bill in its present form.

I yield the floor.

Mr. BOREN. Madam President, have the yeas and nays been ordered on the Kerry amendment?

The PRESIDING OFFICER. They have not been ordered.

Mr. BOREN. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate? There being no further debate, the question is on agreeing to the amendment of the Senator from Massachusetts.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from North Dakota [Mr. DORGAN], the Senator from Alabama [Mr. HEFLIN], and the Senator from Texas [Mr. KRUEGER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is absent on official business.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 35, nays 60, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—35

Akaka	Feingold	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Harkin	Pell
Boren	Inouye	Pryor
Boxer	Kennedy	Reid
Bradley	Kerry	Riegle
Bumpers	Lautenberg	Sarbanes
Byrd	Leahy	Sasser
Conrad	Mathews	Simon
Daschle	Metzenbaum	Wellstone
DeConcini	Mikulski	Wofford
Dodd	Mitchell	

NAYS—60

Bennett	Cohen	Feinstein
Bond	Coverdell	Ford
Breaux	Craig	Gorton
Brown	D'Amato	Graham
Bryan	Danforth	Gramm
Burns	Dole	Grassley
Campbell	Domenici	Gregg
Chafee	Durenberger	Hatch
Coats	Exon	Hatfield
Cochran	Faircloth	Helms

Hollings	Lugar	Rockefeller
Jeffords	Mack	Roth
Johnston	McCain	Shelby
Kassebaum	McConnell	Simpson
Kempthorne	Murray	Smith
Kerrey	Nickles	Specter
Kohl	Nunn	Stevens
Levin	Packwood	Thurmond
Lieberman	Pressler	Wallop
Lott	Robb	Warner

NOT VOTING—5

Baucus	Heflin	Murkowski
Dorgan	Krueger	

So the amendment (No. 381) was rejected.

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

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

The motion to lay on the table was agreed to.

Mr. BOREN. Madam President, if I could have the attention of Members, I understand that we have several amendments lined up. There is an amendment by the minority leader, Senator DOLE, there is an amendment then by the Senator from Rhode Island [Mr. CHAFEE], and two amendments that I know of by the Senator from Florida [Mr. GRAHAM].

Many Members have indicated to me that there are things going on; they would like to have about an hour at least if there are any rollcall votes. We do not know how many of these amendments will require rollcall votes. I assume there would be some of these amendments that would require a rollcall vote. I would, just to see if this will work, like to ask unanimous consent that if rollcall votes are ordered on any amendments between now and the hour of 8:15, those rollcall votes occur beginning at 8:15.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. I object.

The PRESIDING OFFICER. There is objection. The Senator from Oklahoma has the floor.

Mr. BOREN. Madam President, let me rephrase this. I would ask if there are any rollcall votes ordered on or in relation to any of the amendments that might be brought up between now and the hour of 8 o'clock, the rollcalls occur beginning at the hour of 8 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. BOREN. Not occur prior to 8 o'clock.

The PRESIDING OFFICER. There being none, that will be the order.

Mr. BOREN. Madam President, as I indicated, I believe there will be an amendment to the bill by Senator CHAFEE first and then Senator DOLE and then Senator GRAHAM of Florida.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. FORD. Madam President, will the Senator from Rhode Island give me 30 seconds.

The PRESIDING OFFICER. The Senator from Rhode Island yields the Senator from Kentucky 30 seconds.

(The remarks of Mr. FORD pertaining to the introduction of S. 1053 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 382

(Purpose: To prohibit out-of-State fundraising more than 2 years prior to the date of a general election)

Mr. CHAFEE. 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 Rhode Island [Mr. CHAFEE], for himself, Mr. COHEN, Mr. JEFFORDS, Mr. MCCAIN, and Mr. DURENBERGER, proposes an amendment numbered 382.

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

The PRESIDING OFFICER [Mr. DASCHLE]. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . OUT-OF-STATE FUNDRAISING.

Title III of FECA, as amended by section , is amended by adding at the end the following new section:

"OUT-OF-STATE FUNDRAISING

"SEC. . A person shall not solicit or accept a contribution from a person that is not a legal resident of the candidate's State of residence prior to the date that is 2 years prior to the date of a general election for a congressional office in which the person seeks to become a candidate."

Mr. CHAFEE. Mr. President, this is an amendment that I present on behalf of myself, and Senators JEFFORDS, COHEN, MCCAIN, and DURENBERGER.

Let me explain what the amendment is all about. One of the complaints that is made about our current system of campaigning is that we are on a constant money chase. The manager of the bill, the distinguished senior Senator from Oklahoma, has said that the average Senator must raise \$2,000 every week of a 6-year term in order to have enough money to finance his reelection efforts.

We hear all the time the campaigns last too long, they start too early. Yet there is nothing in this legislation that addresses this problem. Certainly, I do not want to discourage debate or discussion of issues. But I do think we ought to limit the time in which we conduct our out-of-State fundraising activities.

Mind you, I am stressing out of State. No Senator should be what the Senator from Oklahoma, the manager of this legislation, has referred to as "full-time fundraiser and part-time lawmaker."

So I think we ought to take steps to eliminate the lure of fundraising

events that may draw us away from official business.

So what my amendment would do is prohibit candidates from accepting or soliciting contributions from out-of-State donors in any year other than the 2-year cycle that the candidate is up for reelection.

Candidates, as I stress, would still be able to solicit contributions from supporters, residents in their own States, but no Senator would be permitted to engage in fundraising activities around the country throughout his or her entire term of office.

Similarly, a challenger, obviously, would not be permitted to raise funds from out-of-State sources until the 2-year period prior to which the date of election is for that Senator or that challenger.

Again, I want to stress that this has no limitations on fundraising activities within one's own State. This is a very modest amendment, Mr. President. I think it would improve the process if we eliminated the amount of time that was spent on fundraising.

Certainly, the public would prefer to know that we are working hard to solve the Nation's problems rather than to keep our campaign war chest full. So I offer this amendment on behalf of myself, as I mentioned, and Senators JEFFORDS, COHEN, MCCAIN, and DURENBERGER.

Earlier this month, the five of us wrote to President Clinton and the managers of this bill expressing our interest in helping to work out a good, solid campaign reform bill. Our letter included nine fundamentals that we felt were essential to real campaign finance reform. This amendment represents one of those points of concern which we enumerated.

I understand that this is agreeable to the managers of the bill. I am grateful for their help and cooperation.

It is my understanding that one of my cosponsors, Senator COHEN, wishes to address this subject.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Mr. President, first, let me commend my colleague from Rhode Island and say that I support his amendment, although I do not think it goes far enough.

We have heard many fine speeches made in this Chamber and beyond about how much money is being spent on campaigns both in the congressional races and the Senate races.

I have a somewhat simple view of it. It is easy to clear up without a lot of infringement upon the first amendment and without a great deal of complexity. Perhaps this solution is too simple to be true and too simple to be good.

No. 1, I would say just ban PAC's. There is apparently bipartisan support for this. I have indicated on the floor

before that I find no inherent evil lurking in the formation or the activities of PAC's but, nonetheless, the public has come to see them as an evil in the system. So, therefore, we should vote to ban them.

The majority leader has indicated the Democratic majority now supports a ban on PAC's.

No. 1, no PAC's.

No. 2, no bundling of contributions.

I know the Senator from Oklahoma is in support of this provision.

No. 3, there should be no soft money.

No soft money by the PAC's certainly, no soft money by parties, and no soft money by any organization should be allowed.

No. 4, we should try to deal with the issue of multimillionaires or millionaires running for office. There should be a limit on what one can contribute to his or her own campaign.

We must enact a reasonable limit on the amount an individual can contribute to his or her campaign so that we eliminate the possibility of millionaires buying into the U.S. Senate or the House of Representatives.

I would prefer a lower limitation on the amount of individual contributions. The Senator from Minnesota proposed a \$100 limitation. Perhaps that is too low for some, but nonetheless a limit on individual contributions is necessary.

I would go further than the Senator from Rhode Island in reducing fundraising out of State. I think a majority of funds should be raised from within one's State. I know this will generate a good deal of controversy because the argument will be that there are a lot of poor States in this country. Maine happens to be one of them. There is not a lot of money available in Maine.

Well, that is true, and that, of course, will solve the problem of too much money being spent in campaigns throughout the State of Maine. If candidates are forced to raise most of their funds from within the State, then the people of Maine will receive a scaled-down campaign. Each candidate will be bound by the same rules, in that case.

We will not have this appearance of Members of the Senate or the House boarding planes and taking off and traveling to Florida, New York, Texas, California, Rhode Island, and various other meccas of campaign funding sources. He or she will spend most of his or her time within his or her own State gathering whatever contributions they can. That is as I think it should be. We should have different limitations, as such, for States around the country.

I think the people of Texas are fully capable of judging whether too much money is being raised and spent within that State. I think the people of California are fully capable of judging whether or not too much money is being raised or spent by candidates in

that State. I think the people of Maine can make a determination as to whether I or anybody else is raising too much money, or spending too much time raising money, or spending too much money in my State, and vote accordingly.

I do not think we should be raising money when we are not up in that election cycle. I know it is a practice of a number of Members of this body to, from the moment they are elected, start replenishing their coffers and start the fundraising activities. I think we should stop that. I think it is a practice which is too common. Some Members start the process all over again, no sooner having been elected, and are out raising money again to build up the reserves so they can scare off or intimidate potential challengers.

I think it puts a particular burden on congressional candidates who have to go out and try to come up with the same kinds of resources for their campaigns, and there senators are out competing against them for funds. As a general rule, I think we should confine our fundraising activities only to the cycle during which our campaigns are scheduled—during the last 2 years of our terms. The response from some would be: Well, we are going to spend too much time during the final 2 years raising money. I think not.

I think we have an obligation to carry out our responsibilities here. I do not find myself in a situation of spending every third hour, or whatever the calculation is, raising money. As a matter of fact, I do not start raising money, in any significant way, until the final 2 years of my term. That is the way I think it ought to be.

I yield to the Senator from Kentucky.

Mr. MCCONNELL. The Senator is right on the mark. We studied how the money is raised, and 80 percent of the money raised by Senate candidates does come in during that last 2 years of a 6-year cycle.

I think the amendment is an appropriate amendment. Contrary to what has been stated by many on the floor, almost no Senators raise money constantly. Eighty percent comes in during the last 2 years of the cycle.

Mr. COHEN. If that is the case, Mr. President, it will not impose an undue burden to confine Members to fundraising during the last 2 years of their term in office.

I would go further, in the sense that I would insist that we have a majority of the fundraising take place within the State. In the amendment of the Senator from Rhode Island, it would say you must confine your out-of-State fundraising to that last 2 years. I think you should confine your fundraising, primarily, to your own State.

Again, I anticipate the arguments will be: Well, rich States will have much more expensive campaigns than

will the poor States. But I think that is a matter that individual constituents can make up their minds on, as to whether they would like to have scaled-down campaigns. Perhaps that is as it should be.

If you want to really stop this merry-go-round of climbing on the horse and riding it out to Los Angeles and back—and many of us do spend time going to various States where there is a great deal of wealth to seek support—a way to change that would be to require the bulk of fundraising be done in your own State. Let each individual State pass judgment as to whether or not the candidate who is running for office is seen as seeking too much money out-of-State versus that from within the State.

That is a view that I have come to adopt, and I think it would solve many of the problems that we currently see as far as campaign spending abuses.

I support the Senator's amendment. I would further, but I am pleased to add my support.

Mr. JEFFORDS. Will the Senator yield?

Mr. CHAFEE. Yes, I yield.

Mr. JEFFORDS. Mr. President, I would like to address the amendment. I want to add my commendation to the Senator from Rhode Island for his participation with the other three or four of us who are dedicated to bringing about meaningful campaign reform. I think this is one of the amendments that will help us along that direction.

I believe very strongly that we must restrict the amount of time that we spend raising money, as pointed out by my colleague from Maine. I also agree with my colleague from Maine that we should do more to restrict the amount of out-of-State money that comes into campaigns. I have made that offer in every one of my campaigns, that we should restrict the money, at least the majority of it, coming from within the State. Nobody has taken me up on that offer yet, but I hope that some day we will be able to get it into law.

I want to run down through some of the areas that the Senator from Maine mentioned. I will accept the ban on PAC's. But I have a serious problem with a ban on PAC's, for the money is going to follow power and will somehow get in there. I would rather have it controlled and limited and exposed and disclosed, rather than getting back to the system of money floating around in individual contributions, and you try to figure out where they are coming from.

I accept the ban here, because I know we have to go into the House. I am more deeply concerned about the problems in the House, which is refusing to at all reduce the amount of money coming from PAC's and to live with existing limits. I am concerned about the ability of the House Members, especially the Republicans, to be able to in

any way get any meaningful reform over there.

So I am going to do what I can to try to make sure we end up with a level playing field.

Mr. COHEN. If the Senator will yield, Mr. President, I take it that the Senator from Vermont would insist that whatever rules we adopt for the Senate, he would insist that the same rules be adopted for the House, particularly as they pertain to PAC's?

Mr. JEFFORDS. There is no question about that. I thank the Senator for bringing that up. That is one of my major goals, and it is the goal of the four others with me here. To allow each body to have different rules in these critical areas would make a mockery of trying to come about with constructive reform here.

I am dedicated to the proposition that we must end up that way.

Another very critical area is the matter of soft money. Hopefully, we will be able to work out a solution to that. I am working on it now. In my mind, first of all, we have to disclose all soft money. But unless we have an equal playing field on the ability of utilization of so-called soft money, I cannot go along with a system that allows the unfairness of someone coming in and basically doing a great deal of campaigning on soft money legally, first of all, without disclosing it; and, secondly, leaving other candidates with the inability to be able to compensate for that expenditure of funds in any way, leaving a very unfair playing field.

That is another area which is extremely critical to me and one that we must make sure the rules are the same for the House and Senate and that we have a level playing field with respect to the utilization of soft money or even ban all soft money.

The limits on millionaires I certainly agree with, and I think we are coming about with reasonable limits in that regard. I know Senator MCCAIN, from Arizona, will be offering an amendment later, which I will support, in that regard.

I also emphasize again I think it is very important for us to ensure that we try to limit the out-of-State money, and I would certainly join with the Senator from Maine in trying to pursue that area.

But I end up by commending again the Senator from Rhode Island, and I am happy to yield.

Mr. COHEN. Mr. President, I would like to point out that indeed I, like others, have in fact sought funds outside the State of Maine.

If we are to have fundamental reform and uniform rules, it seems to me that is one area where all of us should be willing to agree that we ought to reduce dependence on funding from outside of our State. That may be prevented by the fact that, as I pointed

out before, I had a multimillionaire run against me who could write out a check for \$1.75 million or \$7 million. That puts me or any candidate to a substantial disadvantage. So many times we are forced to seek resources wherever we can.

If we are concerned about appearance and talking about fundamental reform, it seems to me, if we adopt a uniform rule, each candidate would raise the bulk of funds from within their State. I think a great deal of concern raised about what has happened to the funding of our political system would at least be satisfied.

Mr. JEFFORDS. Mr. President, I could not agree more with my friend from Maine.

I also thank the manager of the bill for his cooperation in trying to bring about this kind of meaningful reform, which, hopefully, will lead to our being able to get a bill out of here that will solve many of the problems that the public has with campaign funding.

I want to turn it back to my friend from Rhode Island again and commend him for his efforts in this area.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I thank the distinguished Senator from Vermont and distinguished Senator from Maine for their very kind comments.

It is my understanding that the managers of the bill are prepared to accept this.

There is one point that I would like to make, Mr. President, and that is in the bill we say as follows: "A person shall not solicit or accept a contribution from a person that is not a resident of the candidate's State of residence."

By that we mean shall not accept a contribution from someone who is registered to vote outside your State. By residence we mean voting residence. In other words, if I am at home in Rhode Island out of the last 2 years of my cycle, and someone in Rhode Island for the summer wishes to give me a large check, if that person was not registered to vote in Rhode Island I could not accept it. Just the fact that he is physically present in Rhode Island is not enough. He would have to be a registered voter outside of the cycle. Within the cycle, of course, it would be perfectly acceptable.

Mr. COHEN. Does that mean if the Senator from Rhode Island spent August in Maine, he would not be able to contribute to the Senator from Maine?

Mr. CHAFEE. During the off-cycle. Also, it means when the Senator from Rhode Island is vacationing in Maine, he cannot tap those wealthy Mainers up there for a contribution out of cycle, but in cycle obviously we can do everything we possibly can.

I do not want to press my luck any further. If the managers will accept amendment. I would be delighted.

The PRESIDING OFFICER. Is there further debate?

The Senator from Oklahoma.

Mr. BOREN. Mr. President, I am willing to accept the amendment of the Senator from Rhode Island and colleagues. I commend him and the other authors of this amendment for offering it.

As has been indicated by those who offered this amendment, it makes a good product of their work, which singled out one of the items in the letter they wrote to me and wrote to the majority leader and others listing concerns about the current campaign finance reform proposal. We have had very healthy and constructive conversations. I have had conversations among others with the authors of this amendment.

There are other points that have been raised that certainly we are still endeavoring in a very constructive and bipartisan spirit to take action upon as well. I am optimistic we will be able to do that and to make real progress on this bill and do it in a bipartisan way.

I share the desire of the authors of this amendment that more of the funds raised in campaigns come from the home States and the home district of those candidates. I think that is healthy. That helps to return the political process back to the grassroots where it belongs, not only in terms of political activity, but also in terms of fundraising.

So I commend the authors of this amendment, and I not only am willing to accept it, I heartily endorse it and support it fully.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I too have no problem with the amendment of the Senator from Rhode Island. I think it is a good amendment. There is no objection on my part.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment (No. 382) was agreed to.

Mr. BOREN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Republican leader.

AMENDMENT NO. 383

Mr. DOLE. Mr. President, I now send an amendment to the desk on behalf of myself, Senator BROWN, and Senator LOTT and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for himself, Mr. BROWN, and Mr. LOTT, proposes an amendment numbered 383.

At the appropriate place, add the following:

"It is the sense of the Senate that every employee in the executive or legislative branch of the Federal Government shall follow appropriate officially prescribed procedures in contacts and dealings with the Federal Bureau of Investigation and the Internal Revenue Service."

Mr. DOLE. Mr. President, this is a sense-of-the-Senate resolution, and it follows up on what I think is a very serious allegation that has been made, and we have been looking for serious answers to some troubling questions.

Let us face it. It is serious business when we hear reports about cronyism, and unusual access to the White House by special interests who may be looking for special consideration.

It is serious business when reputations are smeared on national television, without notice of the charges, without any opportunity to respond, and without any conclusive proof that the charges are in fact true—and they may be true. I do not know. But I do know that five of the seven travel office employees have now been unfired.

And, it is very serious indeed when powerful figures in the White House believe they can manipulate the FBI. The FBI is not the Democratic National Committee. It is not a political consulting firm. Yet its integrity was compromised when it was ordered to assist in political damage control.

As more information comes out in the press, more questions are raised.

For example:

On May 13, who authorized White House Associate General Counsel William Kennedy to contact Frederick Verinder, the Deputy Assistant Director of the FBI?

Who at the FBI then authorized Verinder to attend a White House meeting with Kennedy? What role did the FBI play in the so-called Peat Marwick audit, which turned out not to be an audit after all?

Who authorized John Collingwood, the FBI's public affairs officer to attend a White House political strategy session on May 21?

Who at the White House summoned Collingwood to the political strategy session? And what was said at the meeting? Who drafted the FBI press statement that the White House later released to back up its claim of wrongdoing at the Travel Office?

And who within the Justice Department knew about the FBI's involvement? Did Webster Hubbell know? Did the Attorney General know? Should she have known?

Unfortunately, Mr. President, the questions do not end here.

Now, we are told that the White House Chief of Staff has been put in charge of sorting out the very mess that occurred under his watch. And there are press reports stating that three IRS agents appeared last Friday—unannounced and with sum-

mons in hand—at the offices of one of the airline charter companies that did business with the Travel Office.

Who authorized the IRS agents to seize the records of the Charter Co.? Is there a connection between the White House political strategy session and the IRS' actions?

Mr. President, can anyone please tell us, what is going on here?

Mr. President, this past Tuesday, I sent a letter to the chairman of the Judiciary Committee requesting an impartial, bipartisan hearing to get to the bottom of these issues. Senator HATCH, the ranking member on the committee, and seven other Republican Senators have also written to Senator BIDEN making the same request.

We have not yet heard back from Senator BIDEN, but I think it is a serious request. I think it should be taken seriously, and I do also hope with a letter to the FBI Director, Mr. Sessions, and the Attorney General we will have some information from them.

In the Bush administration, Attorney General Bill Barr appointed special counsels in the House bank scandal, and in the BNL and Inslaw cases, so there is plenty of precedent for this approach. And I know that Attorney General Reno herself has expressed deep concerns about the way the FBI was mishandled by the White House handlers.

Let me add, that I want to put this affair behind us, and do it quickly. The American people expect us to deal with the serious problems facing America: Health care reform, creating jobs, reducing the deficit, putting more police on the streets, reforming the welfare system, and giving our kids a chance to attend a quality school.

But the American people also expect us to reassure them that the FBI is still an independent law enforcement agency, and that the appearance of impropriety at the White House is just that—an appearance. But, without some real answers, the American people will continue to lack confidence in a White House that is paralyzed by its own kind of self-inflicted gridlock.

Mr. President, the Washington Post, the New York Times, and the Chicago Tribune published editorials yesterday proving that this is not a partisan matter, but a story of missteps, miscommunication, and potential wrongdoing that should concern all Americans, regardless of party affiliation.

I ask unanimous consent that these editorials be printed in the RECORD immediately after my remarks and I also ask unanimous consent that an essay by William Safire appearing in today's New York Times be printed in the RECORD as well.

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

[From the New York Times, May 26, 1993]
 MYOPIA AT THE WHITE HOUSE: THE FBI
 ABUSED

By design or incompetence or a blend of the two, the White House has used a highly vulnerable F.B.I. for unworthy political purposes. Though President Clinton's staff finally admitted yesterday that the process that led to the firing of the seven-member White House travel office was full of mistakes, it exonerated itself of meddling with the F.B.I. But meddle it did.

Last Friday the F.B.I.'s public affairs director, John Collingwood, was summoned to the White House, where to staff members sought his help to get them out of a major political jam.

The press corps was rightly demanding that the White House explain why it had sacked the travel office employees and, with unseemly haste, transferred their duties to aides and cronies of the President. Mr. Clinton's staff extracted what it wanted: authority to say that the F.B.I.'s investigation was criminal in nature, a finding the White House quickly disseminated to the press.

Rarely has the F.B.I. so rapidly confirmed the existence of a criminal investigation. Its usual sluggishness often severs justice by protecting targets who, like the seven cashiered officials, are presumed innocent. This time the White House used the F.B.I.'s obliging speed to further defame the departed employees, who were not allowed to defend themselves before their dismissals.

The White House has now announced that five of the seven are to be kept on administrative leave pending an internal investigation by Thomas McLarty, the chief of staff, and Leon Panetta, the budget director. It will be fascinating to learn what it thinks went wrong. Was it the wholesale dismissals without due process? Was it the assignment of the travel business to a Presidential cousin, and attentiveness to the complaints of a Presidential friend, Harry Thomason, that his friends could not get any White House travel business? Or was it the abuse of the F.B.I., enlisted to dignify political firings by intimating that financial mismanagement might be criminal?

Yesterday's statement by Bernard Nussbaum, the White House counsel whose office is supposed to spare Bill Clinton such ethical grief, amounts to a self-acquittal of any charge of tampering with the F.B.I. Attorney General Reno complained to Mr. Nussbaum that his lawyers had bypassed her when it summoned the bureau. Mr. Nussbaum says he won't do that again but insists he broke no rule.

Technically, Mr. Nussbaum has a point. There's nothing inherently wrong with seeking investigative help if wrongdoing is genuinely suspected. Under rules worked out in response to the Senate Judiciary Committee, the White House is supposed to go to the F.B.I. via the Attorney General's office only in "pending" investigations, not inquiries that the White House itself initiates. But the resort to technical language only underscores the failure of Mr. Nussbaum's office to appreciate the seriousness of its dealings with the F.B.I.

Fortunately, Ms. Reno blew the whistle, acting as an objective public servant while warning all other purported friends of Mr. Clinton to keep their paws off the F.B.I.

[From the Washington Post, May 26, 1993]

THE MISSING VOICE

Now it turns out that three of President Clinton's principal aides, including the

White House counsel, caused an FBI official to alter a press release to reflect the White House line in the increasingly smelly affair of the White House travel office. It looks as if the FBI logo was being used by the White House as a political shield. Attorney General Janet Reno, whose confirmation hearing was marked by a promise to keep the bureau and Justice Department generally out of politics, was upset enough to complain about what she regarded as a breach of procedures meant precisely to insulate the bureau. Won't happen again, said the veteran counsel, Bernard Nussbaum. Did Mr. Nussbaum fail to understand that it was happening in the first place? The other senior officials, Director of Communications George Stephanopoulos and Press Secretary Dee Dee Myers, denied any pressure was applied. At the end, the FBI press release was just "clearer," Miss Myers said. You bet it was. And what of the president for whom these people work?

"I had nothing to do with any decision, except to save the taxpayers and the press money," he said when asked about the matter yesterday. "The only thing I know is we made a decision to save the taxpayers and the press money. That's all I know." But it's not all he knows. He knows, even if he himself had no hand in the matter—and there's no evidence he did—that last week seven longtime career employees in the White House travel office, a kind of in-house travel bureau for the press, were summarily fired. At the time, the press secretary said the reasons were "gross mismanagement" and "shoddy accounting practices" found in an examination by the Peat Marwick accounting firm; she added that the matter had been turned over to the FBI. But then it turned out that:

1. The job of running the travel office, which makes millions of dollars of travel arrangements for the press at press expense each year, had been turned over to a cousin of the president who had been an aide in the Clinton campaign and had written a memo in mid-February suggesting she be given the position.

2. An Arkansas travel agency, itself with past connections to the Clinton campaign, had been installed under her. A few days later it was hastily removed lest there be "any possible perception" that it got the business because of its connections.

3. The firings had also been preceded by a complaint from Hollywood producer Harry Thomason, a Clinton friend, that some charter companies had been shut out of the lucrative travel office business; then it was disclosed that Mr. Thomason himself had an interest in one of those.

4. An aide to Mr. Nussbaum had unilaterally called in the FBI in the travel office case before Peat Marwick made its report. His call, too, was in violation of the protective rule that the White House should contact federal law enforcement officials only through the attorney general.

Mr. Clinton knows all this because it's been in the papers, it's been all over television, and it's done his administration no good at a time when it is in desperate need of all the good news it can get and surely no more bad. Nor is it just that; this thing is wrong. We've said before that we have no idea what the fired travel office officials may or may not have been doing (the firing of five was rescinded yesterday in another reversal and tacit admission of error; they were put on administrative leave with pay instead). But it was wrong to smear them in public as wrongdoers in advance of any finding that they have done wrong. If they were fired for

unconfessed political reasons, that was wrong, too. And the apparent muscling of the FBI to put a stronger gloss on the case (even as its director fights and is beholden to the White House to keep his job) was wrong—of all.

What does the president think about keeping politics and law enforcement separate? What if anything has he said or is he going to say to his staff about it? Or will this one, too, be left to Miss Reno? We'd like to know.

[From the Chicago Tribune, May 26, 1993]

CLINTON TRIES TO SHAKE "TRAVELGATE"

Bob Dole has no incentive at the moment to moderate his criticism of President Clinton and every reason to exaggerate.

But it was no exaggeration when the Senate minority leader on Tuesday compared the Clinton administration's use of the FBI last week in the flap over the White House travel office to Richard Nixon's attempt to pervert the agency to political purposes during Watergate. It is an outrage.

Whether because of Dole's comparison or Atty. Gen. Janet Reno's blowing her stack, the gravity of the situation finally seemed to penetrate 1600 Pennsylvania Avenue. Five of the seven travel office firings were re-explained as "leaves"; apologies were issued for the abuse of the FBI, and an investigation by Chief of Staff Thomas McLarty and Budget Director Leon Panetta was announced.

It is unlikely these actions will quiet the calls for congressional investigations or special prosecutors. Those calls may be premature, but they may turn out to be justified.

But the White House actions at least suggest that Clinton has awakened to his staff's inadequacies and to how desperately he needs to act to get his crew into line. His presidency, quite literally, could be at stake.

It was disclosed Monday that the White House called in John Collingwood, chief FBI spokesman, last Friday to participate in a political strategy session on how to soften the public impact of disclosures of cronyism and nepotism in the travel office affair.

Collingwood apparently was persuaded to amend an agency statement on the travel office case to support White House assertions that possible criminal misbehavior by the seven longtime government employees of the office had led to their abrupt dismissals and replacement earlier in the week.

In fact, the evidence points increasingly to a shabby attempt at patronage by the Clinton White House. Harry Thomason * * * from Hollywood, is said to have complained that an air charter company in which he has an interest had been unable to get any White House business. And Catherine Cornelius, a Clinton cousin, had co-written a memo in February urging replacement of the travel office with a company with which she was associated.

It was to blunt the embarrassing impact of those revelations that the White House abused the FBI. Small wonder that Dole discerned a resemblance to Watergate. Small wonder that Reno, who had hoped to dispel 12 years' worth of suspicion about the Justice Department's fairness, was hopping mad over the White House's violation of procedure in bypassing her to contact the FBI independently.

No doubt the White House hoped its actions Tuesday would bring closure to this episode. No doubt Richard Nixon hoped the same thing many times.

[From the New York Times, May 27, 1993]

THE LEMONADE STAND
(By William Safire)

WASHINGTON.—Here's the good news: they're learning.

George Stephanopoulos, 32 going on 50, is no longer cockily expressing amazement that anyone could be interested in a minor shakeup in the White House travel office. On the contrary, he is admitting mistakes, showing contrition, learning. What he needs most is a good synonym for "inappropriate."

"Mack" McLarty, the Clinton chief of staff ever since kindergarten, put five of the dismissed staffers back on payroll. "Mack the Nice" and Leon Panetta will try to see that political patronage and police power do not again get mixed.

White House Counsel Bernard Nussbaum, who served with Hillary Rodham on the House impeachment staff 20 years ago—discovering abuse of the F.B.I. for political purposes by the White House—admitted no wrongdoing in getting the F.B.I. to front for a little nepo-cronyism, but promised Attorney General de jure Janet Reno never to go to the F.B.I. behind her back again.

These three men have properly assumed responsibility for the mishmash of hubris, favors, white lies, inexperience, misunderstandings and ignorances that led to a mini-firestorm—compounded by the \$200 haircut, for which they'd better be sure the President paid.

This column would have gone on in this upbeat fashion, anticipating a swing of the pendulum in Clinton's favor, but for two reactions from people who didn't get the word, plus one stonewall.

One was from the fellow playing the piano downstairs, blissfully unaware of what was going on in the rest of the house. "I had nothing to do with any decision," declared Bill Clinton, "except to save the taxpayers and the press money."

Why is his opening song always "Don't Blame Me"? Later, prodded by those who remembered the public reaction to his Waco blame-ducking, he was persuaded to take "ultimate responsibility."

Then Linda Bloodworth-Thomason, standing by her man to a gentle Jim Wooten on ABC's "Good Morning America," adopted the too-rich-to-steal defense: How could any couple who made over \$6 million a year, and who had a lousy \$25,000 investment in a travel business (pocket change), possibly want to deprive six little people at the White House of their living? "It's sort of the equivalent of taking over a lemonade stand."

Perhaps, to the Clintons' best Hollywood friends, an \$8-million-a-year travel operation—which the President's cousin Cathy was eager to run, and the Thomasons' air charter buddies were hungry to profit from—is a mere "lemonade stand," a figure of speech that betrays contempt for the poor slobs with cheaply shorn tresses who voted for Clinton.

And perhaps the White House's application of the full power of the F.B.I. in providing cover to Clinton patronage is all in the imagination of "the incestuous insane asylum" that is the national press, as Mrs. Bloodworth-Thomason charged, which will hardly endear her to mental health workers.

But the craven conduct of the Justice Department in this affair is worth a closer look. On May 12, William Kennedy at the White House summoned F.B.I. agents; they took the data to Thomas Kubic, the White Collar Crime Section chief; he took it on May 14 over to Jerry McDowell, of the Fraud Section of Justice.

The Thomason-triggered probe then went to John Keeney, acting chief of the headless Criminal Division, who reassigned it to Joseph Gangloff, running the Public Integrity Section; on Wednesday, May 19, a two-page "Urgent Report" was forwarded by Keeney by hand to Attorney General Reno, copy to Webster Hubbell. The next day, Stephanopoulos began putting out the word, getting the F.B.I. press agents to strengthen the language.

Not until the following Monday, May 24, when she read a barb in this space about White House abuse of the F.B.I., did Ms. Reno call Nussbaum with her complaint about not being informed of the investigation.

That made her look like the injured party, and caused the Counsel's office to promise never to ignore her again. Ms. Reno will not take a call from me on this; a press aide, Carl Stern, blowing his cool, will say only "Use your sources." It seems that the Attorney General's big problem is with not reading her urgent mail.

Mr. DOLE. Mr. President, this amendment is simple, but goes right to the heart of the whole fiasco. It expresses the sense of the Senate that every employee in the executive or legislative branch must use official procedures when dealing with the Federal Bureau of Investigation or the Internal Revenue Service.

No doubt about it, the American people deserve to have confidence in an FBI and an IRS that can make decisions free of political considerations. If we are going to learn anything from these events it is this: Politics and law enforcement do not, and should not, mix.

I urge my colleagues to support this important principle by supporting this amendment.

Mr. President, I urge my colleagues to support this amendment.

Mr. COHEN. Mr. President, I wish to join with the minority leader in offering this amendment.

I know that it has been very easy to dismiss the allegations surrounding what took place with the calling of the FBI to the White House—that it is simply a case of amateur hour. I would like to respectfully disagree with that characterization.

First of all, I do not think they are amateurs. Mr. Nussbaum, as I indicated yesterday, is not an amateur. He was on the House Judiciary Committee staff when I was a freshman Congressman back in 1972-73. He certainly has been exposed to the kinds of allegations that surround the potential of abuse or misuse of the FBI.

Mr. Collingwood is not an amateur at the FBI. So there are serious questions that have to be raised and answered as to what exactly he was doing, to whom was he reporting, and what sort of authority was he being given to carry out these types of consultations and the re-writing of press releases carrying the stamp of approval of the FBI.

I would like to say, Mr. President, that it is serious business when you involve the FBI to ask them to conduct

an inquiry or an investigation, and when you persuade the FBI to say, yes, this warrants a criminal investigation.

If you put a stamp on the brow of an individual that he or she is under investigation by the FBI, in many cases that individual's reputation has been ruined by the allegation alone. The public announcement that you are under investigation by the Federal Bureau of Investigation is enough to tarnish the reputations of most, if not all, people. Even if the allegations are subsequently dismissed, and a disclaimer is filed—"We find no evidence that would warrant further investigation"—that gets lost in the fine print in the press the next day.

We are dealing with the careers, the futures, the livelihoods of seven individuals. I think we all have a right to know whether their reputations and livelihoods have been jeopardized by actions taken by certain individuals within the White House.

No one has suggested that President Clinton knew about this. No one is suggesting that this rises to the level of Watergate, where we saw clear attempts to use the FBI to achieve a political objective. We also saw some attempts during the whole Iran-Contra scandal, when allegations were made that the White House tried to use the FBI.

We know the State Department was called upon during the last election to search out the passport record of then candidate Bill Clinton, and all of us reacted with justifiable outrage that that was a misuse of the State Department for that purpose. The individuals involved were, rightly, either called upon to resign or were fired.

Mr. President, I do not think it is enough to say this is amateur hour; that this is simply a case of young, unskilled individuals being given the levers of power and not knowing what levers to pull, or whether it is appropriate to pull them at all.

If they are amateurs, they do not belong there. If they are amateurs, they do not belong there when they are dealing with the futures and integrity and reputations of seven individuals who have spent a considerable amount of time in that position.

I do not know, Senator DOLE does not know, none of us know whether the allegations surrounding these individuals are in fact true; whether there was misappropriation of funds, whether there was any hint of impropriety, whether there was financial gain involved. We know none of this.

But it seems to me that serious questions are raised when those within a position of power call upon the FBI to give credence to their reasons for immediately dismissing these seven individuals.

So I think this is a sound resolution. I hope it will enjoy the unanimous support of our colleagues.

The PRESIDING OFFICER. Is there further debate?

Mr. NUNN. Mr. President, on behalf of the floor manager of the floor bill, Mr. BOREN, I urge the acceptance of the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Kansas [Mr. DOLE].

The amendment (No. 383) was agreed to.

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

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

The motion to lay on the table was agreed to.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, after consultation with the Republican leader, pursuant to Public Law 93-415, as amended by Public Law 102-586, announces the appointment of James L. Burgess of Kansas to a 1-year term to the Coordinating Council on Juvenile Justice and Delinquency Prevention.

REPRESENTATIVE FRANK'S PROPOSAL CONCERNING GAY MEN AND LESBIANS IN THE ARMED FORCES

Mr. NUNN. Mr. President, I would like to address tonight the proposal put forth recently by Representative BARNEY FRANK concerning the service of gay men and lesbians in the Armed Forces. I commend Representative FRANK for his interest in addressing this issue in a serious, thoughtful manner. I appreciate his recognition that this is not simply a civil rights issue—it is an issue that involves the delicate balance of military necessity and individual rights.

As I understand Representative FRANK's proposal—and I get this only from the newspaper reports, so I may not be under the correct impression on all of it—he would not allow gay men and lesbians to openly declare their sexual orientation on military bases, but he would not restrict such homosexual declarations or consensual homosexual conduct off base during off duty hours. In other words, Representative FRANK makes a distinction between the type of behavior that would be acceptable on base and the behavior that would be acceptable off base. On military bases and on duty, members of the Armed Forces could not state that they are gay or lesbian, and could not engage in conduct that is presently prohibited between persons of the same sex by the Uniform Code of Military Justice and DOD regulations. Off military bases and off duty, however, these restrictions would no longer apply, ac-

ording to the way I understand his proposal.

One of the interesting aspects of Representative FRANK's "on base, off base" proposal is that it is more restrictive than the President's original proposal on base and much less restrictive than the President's original proposal off military bases.

Representative FRANK's proposal is more restrictive than the President's position because his proposal incorporates the view that open homosexuality disrupts the unit cohesion that is essential to the success of our Armed Forces.

I want to hasten to add that I know that Representative FRANK does not personally hold this view. I know he personally regards this fear on unit cohesion and homosexuality as an irrational fear.

There are many people, however—including distinguished scholars, lawyers, and military personnel who appeared before our committee—who disagree. They believe that it is rational for members of the Armed Forces—who must frequently serve under conditions that afford minimal personal privacy—to be concerned about the impact on their units of persons who are sexually attracted to persons of the same sex. This does not mean acceptance of a stereotypical view that every gay or lesbian person is a predator or is attracted to every member of the same sex; rather, it is a rational view that the placement of persons of the same sex but different sexual orientation in the same living environment creates the potential for behavior that is disruptive of good order and discipline.

Representative FRANK's proposal for off base declarations is similar to President Clinton's, however, in that it would permit an open statement as to one's sexual orientation.

I personally believe there is no distinction between on base and off base declarations of homosexuality in terms of its adverse impact on unit cohesion.

If a service member, like Lt. Tracy Thorne, announces on "Nightline" that he is gay, that is likely to have just as significant an effect on his unit than a casual statement on base to a fellow officer. If a first sergeant, in a restaurant downtown, mentions to some of his fellow NCO's that he is gay, that is likely to have just as significant an impact as a statement made around a table at the NCO club.

With respect to off base homosexual conduct, Representative FRANK's proposal is far more permissive than President Clinton has ever indicated he is willing to go.

President Clinton has repeatedly stressed that he does not favor any changes in the current rules of conduct for military members, which apply on base and off base. In his January 29 news conference, he said:

Military life is fundamentally different from civilian society. It necessarily has a

different and stricter code of conduct, even a different code of justice. Nonetheless, individuals who are prepared to accept all necessary restrictions on their behavior, many of which would be intolerable in civilian society, should be able to serve their country honorably and well.

The President reiterated his support for the present code of conduct, which applies on base and off base, in his May 14, 1993, press conference. He was asked during the news conference:

*** [y]ou used the word 'conduct' as though it were an absolute and easily definable term. Do you believe, one, that homosexuals should be celibate *** or could they engage in homosexual activity, consenting, on or off base? Or two, should the Uniform Code be allowed to have any sort of difference between its treatment of homosexuals and heterosexuals?

President Clinton responded:

I support the present code of conduct, and I am waiting for the Pentagon to give me its recommendations.

Just this morning, in an interview on CBS's "This Morning," President Clinton said:

I have not called for any change in the Uniform Code of Conduct.

There seems to me to be a real contradiction between the President's "open status, but strict conduct" approach and Representative FRANK's "on base, off base" distinction.

The President seems to be saying that openly gay men and lesbians should be allowed to serve in the military, as long as they do not engage in homosexual conduct. In my view, I think it is impossible to draw a line between open status and conduct. The effect on military units of an open declaration of status and actual conduct would be pretty much the same.

In contrast to the President, however, Representative FRANK's proposal recognizes the concern that open homosexuality is incompatible with military service by recognizing gay men and lesbians should not express their sexual orientation on duty and on base.

I repeat—I think he has made it clear—I do not think this is Representative FRANK's own view but this is a compromise proposal he has offered. But then he goes far beyond the President on the conduct issue by saying there should be no regulation off base/off duty conduct.

Representative FRANK has not provided a detailed analysis of how his proposal would work, but I believe that his on base/off base distinction would establish a very undesirable precedent in military law.

One of the most fundamental distinctions between military life and civilian life is that the military's code of conduct—the Uniform Code of Military Justice and related regulations—is not simply a code of employee behavior. It completely regulates a service member's life, 24 hours a day, from the day a person enlists until the day that person is discharged.

While there are some military members whose particular assignment may approximate a civilian job and civilian living conditions, that is not the norm. Military personnel must be available, at all times, for worldwide deployment to a combat environment. Their conduct is subject to the Uniform Code of Military Justice at all times—on base and off base, on duty and off duty. Readiness, unit cohesion, good order, and discipline are not attributes that can be turned on at the base gate and turned off when one leaves.

There is no requirement in military law that the commission of an offense off base have a specific direct and predictable impact on a specific unit. It is sufficient if the behavior, in itself, violates military law.

A good example is the treatment of drug offenses. Throughout the seventies, as civilian jurisdictions decriminalized drug use offenses and declined to prosecute possession of small amounts of drugs, there was considerable pressure on the Armed Forces to take a hands-off approach to off base/off duty use of drugs by members of the armed forces. In a series of cases during the seventies culminating in *United States v. Strangstalien*, 7 M.J. 225 (C.M.A. 1979), the Court of Military Appeals indicated that many off base drug offenses were not subject to military jurisdiction. Few who served during that era in the military—or on the Armed Services Committee—will forget the devastating impact on military morale and discipline.

Fortunately, the Court of Military Appeals reversed this trend in *United States v. Trottier*, 9 M.J. 337 (C.M.A. 1980), which rejected the concept of an on base/off base distinction. Citing hearings before the Senate Armed Services Committee, the Court noted: "Without the maintenance of a credible armed force, the United States is at a serious military and geopolitical disadvantage. The need is overwhelming to be prepared to field at a moment's notice a fighting force of finely tuned, physically and mentally fit men and women * * *."

The Court specifically rejected the concept that off base restrictions should apply only in time of war: "Surely, in the present day world, considering the state of communication and transportation arts, there is a fine line * * * between time of peace and time of hostilities. The power to raise and support an army and to maintain a navy and the power to declare war are meaningless unless the reliability and efficiency of the force can be sustained in time of peace." The Court also noted the need to deter off base behavior that could have adverse impact on one's fellow servicemembers: "[O]n some occasions a service person who observes his peers using drugs away from a military installation will be induced to emulate their conduct—but without the care to do so off post."

This is not to suggest that the off base use of drugs is identical to off base sexual conduct; rather, the point is that the military prosecutes off base drug offenses even when the amounts are small and even when there is no specific, direct impact on the unit because the behavior off base can potentially affect an individual military member's behavior and his unit's effectiveness.

In *United States v. Solorio*, 483 U.S. 435 (1987), a case involving sexual conduct, the Supreme Court rejected not only the on base/off base distinction, but also reversed an earlier Supreme Court decision, *O'Callahan v. Parker*, 395 U.S. 258 (1969), which had required the military to prove that an offense was "service-connected" in order to establish court-martial jurisdiction. The case involved a member of the Coast Guard, who lived off base, and who had sexual conduct with children under age 16 who were the dependents of other members of the Coast Guard.

The trial court in *Solorio* held that there was no military jurisdiction because the offenses occurred off base, off duty, out of uniform, and there was no specific adverse impact on the morale, discipline, or reputation of the unit. The military appellate courts, however, reversed this ruling and the Supreme Court agreed, ruling that court-martial jurisdiction depends solely on the status of the defendant as a member of the Armed Forces, not on the nature or location of the offense.

My point is not that off base sexual behavior with minors is identical with off base homosexual conduct; rather, it is that the Supreme Court has specifically recognized that conduct by a member of the Armed Forces, whenever and wherever it occurs, is an appropriate concern of the military justice system, even when there is no specific showing that the particular conduct had a direct impact on a specific unit.

Mr. President, Representative FRANK's proposal would create an off base safe haven for homosexual conduct that is not available with respect to other offenses under UCMJ. As I noted earlier, off base drug offenses are prosecuted, even when there is no showing of a direct impact on a specific unit. Off base adultery offenses—an offense involving consensual sexual relations between adults—are prosecuted.

The alleged improper conduct by military members at the Tailhook convention took place off base during off duty time. The alleged conduct took place in a private hotel, and much of it was in private rooms within the private hotel. I do not know anyone who argues that this conduct should not be the subject of military jurisdiction just because it occurred off base during off duty time. The Frank proposal, however, appears to exempt off base homosexual conduct by military personnel from the Code of Conduct in the UCMJ.

Under current DoD regulations, a homosexual act "means bodily contact, actively undertaken or passively permitted, between members of the same sex for purpose of satisfying sexual desires." This not only includes sodomy, which can be prosecuted under article 125 of the UCMJ, but also other forms of sexual contact. This conduct, wherever it occurs, not only can result in an administrative discharge, but can be prosecuted under article 134—conduct that is service-discrediting or prejudicial to good order and discipline—under the prohibition against "indecent acts with another."

It is my understanding that Representative FRANK's proposal is intended to discourage the Armed Forces from aggressively employing investigative resources to actively seek out evidence of off base, private conduct.

This is the point on which I agree with Representative FRANK. I agree that it would be desirable for the military services to develop investigative policies that minimize intrusions into behavior that servicemembers seek to keep private. A rigid on base/off base distinction, however, would appear to go well beyond such policy guidance.

There are a number of questions raised by the proposed on base/off-base distinction:

How would it be applied to off base conduct between servicemembers?

Does the proposal permit a servicemember to solicit another member of the same unit off base?

Does the proposal permit a servicemember to engage in sexual conduct with another member of the same unit off base?

What is the impact on the unit when there is an off base homosexual relationship between two members of the unit?

How would it be applied to open conduct even if it is with a civilian which is observed or becomes known by members of a unit?

What is the impact on the unit when a servicemember sees a fellow member involved in a homosexual relationship off base?

What is the impact on the unit when a junior member sees or learns that his or her superior is involved in a homosexual relationship off base?

Homosexual cases which have been prosecuted in recent years involve a wide variety of circumstances and locations, including consensual and non-consensual cases, on base and off base. If all off base homosexual conduct is deemed permissible, then there would be a dramatic liberalization of the military standards of conduct—far beyond what President Clinton has talked about. Under a standard that exempted off base conduct from military jurisdiction:

A servicemember could solicit another servicemember off base to commit a homosexual act. Even if the un-

willing servicemember reported this to his or her unit commander, the solicitation would be immune from military jurisdiction.

Two servicemembers from the same unit could have an open homosexual relationship which would be immune from military jurisdiction even if well-known to members of the unit.

A first sergeant could have an open homosexual relationship off base, well-known to his fellow NCO's and subordinates, which would be immune to military jurisdiction.

An officer could engage in open sexual conduct off base with a member of the same sex, known to his fellow officers or subordinates, and be immune from military jurisdiction.

A military commander could receive a report that one of his or her subordinates had engaged in a consensual sexual act in violation of State law, but the conduct would not be subject to military jurisdiction.

I do not support the on base/off-base distinction, and I do not believe that President Clinton would support such a dramatic change in the military's Code of Conduct. Nonetheless, I believe that the concept which Representative FRANK has enunciated reflects important concerns about investigative policies. I do not believe we should have sex squads looking for ways to investigate service members' private, consensual behavior.

I have heard concerns expressed that soldiers can or will be punished for activities such as visiting a gay bar, reading a gay magazine, or participating in a gay rights parade. It is my understanding that none of these activities are prohibited by current military law. I recognize that under the limitations on first amendment rights that can be applied in the armed forces, individual commanders can declare specific places off-limits—a prohibition that is frequently applied to locations that discriminate on the basis of race. Likewise, although not frequently used, commanders do have authority to restrict possession of certain forms of literature or participation in certain public political activities. Absent such a restriction, the possession of gay literature or participating in a gay rights march do not constitute military offenses.

I also recognize that there is concern that such activities, and other actions which may raise suspicions about a soldier's sexual behavior, even when not specifically prohibited, may lead to questions about a soldier's sexual behavior. In my judgment, these concerns can generally be addressed by explicitly providing service members with the right to receive a detailed rights warning before any such questioning is initiated, including the privilege against self-incrimination.

I think that is something that our committee and the White House and

the Department of Defense—all of us—are going to have to consider together as to how best to carry that out.

It may also be desirable to consider whether guidance should be issued on the investigative relevance of issues which have raised concern in the past, such as presence at gay bars, possession of literature related to gay or lesbian matters, or attendance at gay rights activities. These issues should be considered by the DOD Task Force that has been established by Secretary Aspin at President Clinton's direction. And I hope that they are looking very carefully and will have recommendations on these issues.

What is crucial, in my judgment, is that such guidance be framed in terms of traditional investigative policies, such as establishment of priorities and allocation of resources. It would create intolerable confusion to establish express limitations on investigation of conduct that is relevant to a violation of the Uniform Code of Military Justice.

In summary, Mr. President, the proposal from Representative FRANK recognizes the concern that open homosexuality would have an adverse impact on unit cohesion and military effectiveness. That has been the overwhelming testimony before our committee. However, by permitting homosexual conduct off base, it goes far beyond what President Clinton has talked about. The President has endorsed the current rules of conduct, which apply on base and off base. The Frank proposal, on the other hand, ignores the serious impact on military units of open, off-base homosexual activity.

In my view, Mr. President, Representative FRANK's proposal is not a compromise between those who want to sustain the current exclusionary policy and the President's "open status, but strict conduct" proposal. It is a compromise between President Clinton's position and those who advocate eliminating all restrictions on consensual homosexual conduct among members of the armed forces. I do not favor this on base—off base distinction.

In closing, I want to commend President Clinton for the tone of his remarks on this issue today on the CBS show "This Morning." In those remarks, President Clinton indicated that he understood that for a great many people in this country, this issue touches on deeply held moral or philosophical beliefs. President Clinton made it clear that any resolution of this debate should not appear to be endorsing any particular lifestyle.

President Clinton also reiterated his view that the military's current Code of Conduct should not be changed. The President's position, as he outlined it this morning, is "if you don't ask and you don't say, and you're not forced to confront it, people should be allowed to serve."

I have not had any discussions with administration officials on the outlines of any proposal on this issue that they may be working on. I understand the Defense Department is winding up their review and will be making their recommendation shortly. I look forward to working with the Defense Department, the President and my colleagues in the Armed Services Committee on a satisfactory resolution of this issue in the coming weeks.

I thank the Chair.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

MULTILATERAL APPROACH TO BOSNIA IS CRUCIAL

Mr. PELL. Mr. President, earlier today, the distinguished Republican leader indicated his intention to introduce a bill to lift unilaterally the arms embargo on the former Yugoslavia. I would like to share with my colleagues a somewhat different perspective on this issue.

Last weekend, Secretary of State Christopher and the Foreign Ministers of France, Russia, Spain, and the United Kingdom announced a Joint Action Program to bring coordinated international action to bear on the conflict in Bosnia-Herzegovina. This administration, and many of us in the Congress, are committed to a multilateral approach, not only with regard to Bosnia, but with regard to other foreign policy challenges in the post-cold-war era. Accordingly, I believe it is important to maintain and build upon the cohesion that has been achieved to date.

At least a portion of the Joint Action Program, calling for the rapid establishment of a war crimes tribunal, has already been implemented. On Tuesday, the U.N. Security Council took action to establish such a tribunal to prosecute persons responsible for the heinous crimes committed in the former Yugoslavia since January 1991.

Other parts of the program are still under discussion. Further U.N. resolutions will be necessary before other measures, such as the establishment of safe areas and the sealing of Bosnia's borders, can come into force. There is still a great deal of work to be done in hammering out the details of the Joint Action Program, but Defense Secretary Les Aspin reported yesterday that he had sensed a general receptivity among NATO foreign ministers to the Joint Action Plan as a first step to helping stopping the killing.

Mr. President, the Joint Action Program does make clear that the allies plan to keep open options for new and tougher measures, none of which is prejudged or excluded from consideration. I believe such flexibility is necessary. However, in my view, it is too early to begin considering further options.

While discussion is continuing on the Joint Action Program itself, I believe it is unwise for the Senate to prejudice the outcome by putting other measures on the table.

The Joint Action Program is the product of a major effort of inter-allied cooperation, with the United States playing a pivotal role. Russian participation is also crucial in helping convince the parties that it is in their interest to support the joint action plan.

Achieving consensus on this issue has not and will not be easy. Despite the best diplomatic efforts of Secretary Christopher earlier this month, the Europeans rejected outright the administration's lift-and-strike proposal. Accordingly, I believe it is unwise to revisit the issue of lifting the arms embargo at this point.

Unilateral United States action at this juncture would have repercussions beyond our policy in Bosnia. There may be a certain frustration with our European allies' response to the tragedy in Bosnia. However, I believe the Clinton administration has had to make a tough judgment call on how far the United States can push the Europeans without doing serious and sustainable damage to our transatlantic partnership, and indeed to the entire concept of a multilateral approach to the problems of the post-cold-war world. Moreover, if the United States were to repudiate a U.N. Security Council Resolution by our own independent action, it would set a dangerous precedent that unfriendly states would be sure to exploit.

Mr. FEINGOLD addressed the Chair. The PRESIDING OFFICER. The Senator from Wisconsin.

NEW PLAN FOR ACTION

Mr. FEINGOLD. Mr. President, as the distinguished chairman of the Foreign Relations Committee has indicated, there is a new plan for action in Bosnia which will come before the U.N. Security Council soon. Unlike past proposals, though, this latest plan, in my view, is only intended to stop the fighting and theoretically postpones action on a peace plan. The plan was conceived in large part by Russian Foreign Minister Andrei Kozyrev. I must say, it seems to me to be the worst appeasement of the Serbs and abandonment of the Bosnian Muslims proposed thus far.

The plan calls for several things, as the chairman has pointed out: Sealing the borders of Bosnia to enforce the sanctions against the Bosnian Serbs; securing safe areas for Muslims under siege; using United States air power to counterattacking Serbs in the safe areas, but not to actually protect the Muslims; and to establish a war crimes tribunal.

The joint action statement also warns that aggression against the former Yugoslavia, the Republic of

Macedonia, would have grave consequences and that we do not support declarations of independence in Serb-controlled Kosovo and encourages support for Vance-Owen.

Mr. President, in all of this, there is no mention of Serb retreat from lands they seized through naked aggression. There is no mention of Bosnian sovereignty over its own country. In the words of President Izetbegovic of Bosnia:

If the international community is not ready to defend the principles that itself has proclaimed and which it proclaims to be its fundamentals, if it is ready to recognize the law of force governing international relations, if it prefers to close its eyes before most ruthless violations of human rights and international law, even more to reward the aggression and genocide, let it then say this openly, both to our and its public. Let it proclaim a new code of behavior by which force will be the first and the last argument. Let it proclaim that the U.N. Charter and all the so carefully and patiently built rules of international law are no longer valid.

Those are the sentiments of the President of Bosnia in response to this latest joint action plan.

And a similar reaction came from press around the world as reported by the RFEERFL Research Institute, the British BBC picked up from the Croatian service, British editorials using expressions such as Chamberlain and greater Serbs is now a reality.

The Chicago Tribune reports from March, by the Director of the U.S. relief operations in Bosnia to the effect that the safe havens would be ghettos and economically nonviable, requiring a massive effort by the international community to keep them alive.

Finally, the semi-official Croatian Daily on May 24 condemned the five signatories as being "powerless in trying to confront the violence, crime, genocide, and fascism in Bosnia." That same paper on May 25 says the so-called Washington Five "have opted for greater Serbia as a stabilizing factor in the Balkans."

Now, ironically, this is called a joint action program. In my view, this is not action. This is inaction. And it goes even further in the wrong direction than the Vance-Owen plan did.

I think action should be effective. This plan creates an untenable situation where Serbs will have been appeased and Bosnian Muslims will be cordoned off in a safe area resembling more of a reservation or a detention center or a ghetto than a safe haven. What will a safe haven accomplish? How will it bring about a just peace to Bosnia? How will the allies extricate themselves?

I think action should be appropriate. This plan does not offer a viable plan for peace. It sets as policy—as policy—that Serbian aggression will be rewarded and that those who have been left defenseless will really become wards of the international community.

I think action in this area should be moral. This plan flies in the face of those words that we have heard over and over again in recent months: Never again. Never forget.

It is reminiscent of the 1939 appeasement and it does not address the moral challenges posed by this conflict. I return to the position that I still think is the most effective and appropriate and moral action we can take; and that is, to lift the arms embargo that has forced the Bosnian Muslims to be at such a disadvantage.

President Clinton has apparently recognized the value of this since he has tried to persuade our European allies in recent weeks to support lifting the U.N. arms embargo, but the allies have been intransigent.

My resolution, S. Res. 79, would provide for the lifting of the arms embargo, or requesting that the United Nations do it.

The chairman of the Foreign Relations Committee correctly points out that the Republican leader today introduced a bill that would call for lifting the arms embargo, but it does so by using unilateral U.S. action. It does not take into account the fact that the United Nations must lift the embargo that we participated in placing. So the resolution is different from the bill that the Republican leader has mentioned.

In my view, the arms embargo is crucial. Lifting the arms embargo is crucial because it respects the right to self-defense. It levels the playing field, as Secretary Christopher said a couple of months ago, and thereby could possibly enable true negotiations to proceed. It helps protect Bosnia's right to develop as a nation. And I think it is our best protection against ever having to seriously consider introducing ground troops into this situation from the United States.

Finally, it can assist the peace process because it will let the Serbian aggressors know that there is someone there to counter them should they choose to overwhelm more villages.

So, though there is great controversy in this country over what we should do in Bosnia, I maintain that possible a clear consensus—and if not a clear consensus, at least a significant majority in our Government and our country—now believe that lifting the arms embargo for Bosnia would be a very appropriate next step.

The list of supporters of this action is growing. There are cosponsors of two resolutions in this House which express the sense of the Senate that the arms embargo as it applies to Bosnia should be lifted. The list of those cosponsors includes both the majority leader and the Republican leader, and other distinguished foreign policy leaders, such as Senators DECONCINI, LAUTENBERG, SASSER, and LUGAR.

The distinguished chairman of the European Subcommittee of the Foreign

Relations Committee, Senator BIDEN, has long been an advocate of lifting the arms embargo and advocated it even prior to my joining the Senate and getting involved in the issue myself.

Senator NUNN has said:

The first thing we are going to do for people who are in trouble and being brutalized militarily is that we are going to help them help themselves. We are going to first of all furnish them arms.

Senator LUGAR has said:

Bosnia is in the final stages of dying. I would support the President in lifting the arms embargo against shipping of arms so that Bosnians could defend themselves.

The Republican leader has said:

We need to do more, and doing more would be lifting the arms embargo. That would be the first thing we should do.

Numerous editorials across the country agree. On April 18, the New York Times wrote that:

We should lift the arms embargo against the Bosnian Government so that the Bosnian forces could defend themselves over the longer term.

Former Prime Minister of England Margaret Thatcher has said:

It is totally and utterly wrong to stop people from defending themselves against a highly armed aggressor.

Numerous Jewish groups around this country, who hearken back to their own experience in World War II, have supported the lifting of the arms embargo.

In an open letter to the New York Times, the American Jewish Congress wrote:

At least let us not interfere by preventing Bosnian Muslims from defending themselves and the arms embargo now.

So I would like to take this opportunity to express the hope that this body and this Government will go back to trying to convince our European allies to agree to lift the arms embargo.

I urge the President to redouble his efforts to convince our allies to lift their objection, which is the stumbling block in this situation.

Although I have a tremendous regard for the chairman of our committee, and I respect the remarks he has just made, I cannot agree with his assessment of the plan that has been offered by the joint action. This plan shows, once again, that the international community is a paper tiger on Bosnia. Most dangerously, Slobodan Milosevic has recognized this, and according to a New York Times article on Sunday, he withdrew his original offer to allow international monitors along the Bosnian border to ensure that Serbians were not sending arms to the Bosnian Serbs.

And a New York Times headline screamed:

Exuding Confidence, Serbian Nationalists Act As If War For Bosnia Is Won.

That is where this plan places us.

To conclude, Mr. President, as long as plans are made based upon any kind

of promise by Milosevic, as long as they fail to address the real issues—and those real issues are Serb aggression and Bosnian sovereignty—as long as these issues are not addressed, Mr. President, this plan will be outrageously flawed and harmful.

So I call on the President, who has done far more on this issue than the previous administration ever did, to go back to those allies and say it is essential that the arms embargo be lifted now.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. FEINGOLD] yields the floor.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued consideration of the bill.

Mr. BINGAMAN addressed the Chair. The PRESIDING OFFICER. The Senator from New Mexico is recognized.

AMENDMENT NO. 384

(Purpose: To condemn the intraconstitutional and antidemocratic actions of President Serrano of Guatemala)

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

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. HARKIN, Mr. FORD, Mr. KENNEDY, Mr. JEFFORDS, Mr. DOMENICI, Mr. LEAHY, Mr. KERRY, Mr. MITCHELL, and Mr. NUNN, proposes an amendment numbered 384.

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

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

The amendment follows:

At the appropriate place in the bill, insert the following new section:

SEC. . REGARDING THE EXTRACONSTITUTIONAL ACTIONS OF THE PRESIDENT OF GUATEMALA.

(a) FINDINGS.—The Congress finds that—

(1) Guatemala has had a democratically elected government since 1985;

(2) President Jorge Serrano and the members of the Guatemalan Congress were freely and fairly elected;

(3) on May 25, 1993, President Serrano seized near-dictatorial powers by partially suspending Guatemala's Constitution, dissolving Congress and the Supreme Court, and ruling by decree;

(4) these events are extraconstitutional and antidemocratic and require immediate international attention and action; and

(5) the Organization of American States agreed in Santiago, Chile, in 1991 to convene an emergency meeting of the Hemisphere's foreign ministers in the event of a coup d'etat in a member country in order to consider joint actions to bring about a return to democracy in that country.

(b) POLICY.—The Congress—

(1) condemns the extraconstitutional and antidemocratic actions of President Serrano of Guatemala and considers those actions a

serious blow to democracy in Guatemala and a serious threat to democracy in the Hemisphere;

(2) calls on President Serrano to restore immediately the democratically elected Congress and the judiciary and to ensure full respect for internationally recognized human rights;

(3) commends President Clinton for his rapid and decisive response to the situation in Guatemala, in particular his condemnation of President Serrano's actions and his suspension of disbursements of United States assistance;

(4) calls on the President to suspend the United States assistance program to Guatemala, and to seek to delay approval of any international loans for Guatemala, until constitutional government is restored to Guatemala; and

(5) commends the Organization of American States (OAS) for its plan to send a fact-finding mission headed by the Secretary General to Guatemala and for calling a meeting of the foreign ministers of the OAS member countries, to be held within 10 days.

Mr. BINGAMAN. Mr. President, the amendment that I have sent to the desk is one to express the Senate's concern for Tuesday's action by the President of Guatemala, Jorge Serrano, in which he suspended the constitution of that country and dissolved its congress.

This is the same resolution that I introduced yesterday with Senators HARKIN, FORD, KENNEDY, KERRY, LEAHY, DOMENICI, and JEFFORDS as cosponsors. Senator MITCHELL is also a cosponsor of this amendment, as is Senator NUNN.

In a dawn radio and television broadcast on Tuesday, President Serrano announced that he was seizing near dictatorial powers in that country. The heads of Congress and the Supreme Court and the Attorney General were placed under house arrest.

Mr. President, this is very similar to the announcement made by the President of Peru, Alberto Fujimori, a little over a year ago. Those of us who propose this amendment believe that this is a dangerous precedent for a region that has seen a growing number of democracies emerge in the last few years.

I commend President Clinton for his immediate response to the event. The Assistant Secretary for Inter-American Affairs Bernard Aronson telephoned President Serrano Tuesday morning to express strong U.S. opposition to his moves, and he urged him to reverse those actions. President Clinton stated:

This illegitimate course of action threatens to place Guatemala outside the democratic community of nations. We strongly condemn such efforts to resolve Guatemala's problems through nondemocratic means.

Mr. President, I also want to commend the Organization of American States for immediately convening an emergency permanent council meeting to discuss the situation.

Mr. President, I am also alarmed because Tuesday's action coincided with a summit in Guatemala attended by 50

delegates from around the world representing various indigenous people. This summit had been called by the country's own Rigoberta Menchu, who won the Nobel Peace Prize this last year. Apparently, the conference has been suspended.

The Government of Guatemala has been accused by the U.S. State Department of human rights violations, in particular violations on the rights of indigenous people. In fact, Serrano did not officially recognize Rigoberta Menchu's Nobel Prize for her arduous work on behalf of her people. Many of us here in the Senate recently sent Serrano a letter in which we expressed our concerns for the continued violation of human rights in that country. Serrano's actions Tuesday are another example of those violations.

Mr. President, to conclude my statement here, my colleagues and I who propose this amendment want to express our support for the immediate reversal of President Serrano's actions. We believe that the suspension of the constitution and the dissolution of the congress put in jeopardy the political democratization that has occurred in recent years in that region. This process is particularly fragile due to the recent return of peace in El Salvador. Latin America is ill served by this undemocratic action, and we urge the international community to condemn it and the Senate to go on record with a strong statement against it.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. DODD. Mr. President, I rise in support of the amendment offered by Senator BINGAMAN, which seeks to condemn the extraconstitutional actions taken by President Jorge Serrano of Guatemala on the morning of Tuesday, May 25, 1993.

It goes without saying that we were all outraged and profoundly disappointed by President Jorge Serrano's decision to dissolve the Guatemalan Congress and Supreme Court and to impose censorship upon the press in an effort to hide his actions from the people of Guatemala. Such actions are unconstitutional, antidemocratic and threaten the future of Guatemala's democracy.

President Serrano's decree has been condemned across the political spectrum in Guatemala. The Guatemala Supreme Court has declared the Serrano decree unconstitutional. The Congress has called upon the Guatemala military to restore constitutional order. Even some of Serrano's own ambassadors have resigned in protest. I have a copy of the resignation letter sent by Edmond Mulet, the Guatemala Ambassador to the United States to President Serrano yesterday. I would like to quote from a portion of that let-

ter, "The problems stated by you (Serrano) as a pretext for the coup, while some may be true, exist in every country in the world, but they are faced and solved in a different way." I would ask unanimous consent that at the conclusion of my remarks that this letter be printed in the RECORD.

Even former Guatemalan military dictator, Gen. Jose Efraim Rios Montt has urged Serrano to restore the constitution, arguing that "far from contributing to peace that you preach so much, the breaking of the constitutional order opens the door to subversive activity."

The international community has spoken out as well. On Tuesday evening, the OAS moved forward expeditiously to delegate a fact-finding mission to travel to Guatemala this weekend, and to call for an emergency meeting of OAS Foreign Ministers to pursue the matter further, as envisioned under the 1991 Santiago Declaration.

The OAS is to be commended for its quick response, but its job is far from over. Tough decisions lie ahead. If President Serrano refuses to reverse his decision, members of the OAS must decide on a course of action that will signal their collective determination that the status quo is not acceptable and that it's not going to be business as usual with respect to Guatemala until full democracy has been restored there.

Regrettably, the international community's lack of decisive action in response to the April 5, 1992, coup by Peru's President, Alberto Fujimori made President Serrano's decision all the more likely. Instead of forcefully rejecting Fujimori's antidemocratic measures as would have likely been the response to a military-led coup, the OAS and the United States, as a member of that body, let President Fujimori off the hook and let the people of Peru down.

Clearly, it is not acceptable to once again sweep dictatorial actions under the rug and go on as though all is well in Guatemala. For if we do, I can promise you that this will not be the last coup of its kind. It will become the policy of choice for governments throughout the region every time ruling democratically becomes difficult.

President Clinton has made support for democracy a cornerstone of his foreign policy. I am hopeful that with his leadership, the OAS can recoup from past mistakes and chart a different course than the one it traveled with respect to Peru. An opportunity has now presented itself to the OAS in the case of Guatemala where it can now demonstrate, through decisive collective action, that the auto coup model of governing is not acceptable to the democratic family of nations in our hemisphere.

I think that the Senate of the United States has an obligation to go on

record as well saying a resounding "no" to the actions taken by President Serrano and I urge my colleagues to vote in support of the Bingaman amendment.

I ask unanimous consent that the letter be printed in the RECORD.

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

CONGRESSIONAL RESEARCH SERVICE,

Washington, DC, May 26, 1993.

Eng. JORGE ANTONIO SERRANO ELIAS,
Presidential Residence, Guatemala City, Guatemala.

DEAR ENGINEER: Through this letter I come to reiterate to you my ideas that were expressed by telephone yesterday, after you arbitrarily and unconstitutionally swept aside Guatemala's democratic institutions.

I deeply regret and strongly condemn the self coup d'etat by means of which you are setting yourself up in a new dictatorship in our country. Your action demolishes the permanent and daily effort which the great majority of us Guatemalans have been making for several years to build a democratic, pluralist and civilian system; this self coup ruins the chances for a peace agreement with the subversion; it limits and restricts Guatemala's economic development; and, among a great many other negative things, it compromises the independence and the integrity of the National Army which, until now, had been the best guarantee of the institutional system.

There is no justification whatever for such an action, which is a step backwards in our institutional process. The problems stated by you as a pretext for the coup, while some may be true, exist in every country in the world, but they are faced and solved in a different way. You still have time to think things over and reconsider your stand and I am sure that you will find many national groups and sectors willing to help you combat our nation's traditional ills, but through dialogue and the search for consensus.

Your argument that the country was becoming ungovernable because of the opposition group's lack of collaboration is not valid. The broad and unlimited support which we opposition leaders gave you in different fields, especially in the Legislative, oftentimes at the expense of our own credibility, is evidence of the willingness of many sectors other than your own political party, to work for national objectives.

As I stated to you verbally, I cannot continue to represent your government, inasmuch as I cannot be the ambassador of a government which is a de facto product of a coup d'etat. Doing so would violate my most fundamental principles and would be contradictory to the effort and the sacrifice of a whole lifetime devoted to struggling to achieve democracy and the respect for human rights in Guatemala.

Thus, I resign my post as Ambassador of your government to the government of the United States of America, and I am setting myself up in this country as the representative of Guatemala's constitutionality, constituted authority and democracy. I hope that in the next few hours you will have enough conscience and responsibility to calculate the dreadful consequences which this coup d'etat is going to have for our country and will decide to return to the democratic course, which, although difficult and stormy, is the best way to avoid polarization and confrontation.

Sincerely yours,

EDMOND MULET,
Ambassador.

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

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

Mr. BOREN. Mr. President, I have discussed this matter with the minority leader, and I believe this is agreeable to him.

Mr. COATS. Reserving the right to object, Mr. President. I would like to get some clarification.

Mr. BOREN. Mr. President, this amendment is a surprise to the managers of the bill. Of course, it is on a different subject. I know Members are here wanting to get ahead with the votes tonight so they can go on to other plans and other responsibilities, and I just discussed this with the minority leader.

The Senator from Florida [Mr. GRAHAM] has two amendments, and I ask unanimous consent that the pending Bingaman amendment be set aside and that the Senator from Florida be allowed to offer his amendment at this time.

The PRESIDING OFFICER. Is there objection?

Mr. BINGAMAN. Reserving the right to object. Mr. President, would that unanimous consent contemplate that after the Graham amendment is offered, we would come back to the pending Bingaman amendment?

The PRESIDING OFFICER. I would advise the Senator from New Mexico that once the Graham amendment is disposed of, we will return to the Bingaman amendment.

Mr. COHEN. Mr. President, reserving the right to object. Could the Senator from Florida give us an idea of how long he expects to take on each of his amendments, and whether he will be asking for rollcall votes on either or both?

Mr. GRAHAM. I would anticipate that the amendments would take less than 30 minutes, maybe less than 15 minutes each; and if they are going to be accepted, I will not ask for a rollcall vote. If there is going to be a controversy, I will ask for a rollcall.

Mr. BOREN. Mr. President, I am advised by the floor leader on the other side of the aisle that there will be some request for a rollcall vote on probably both of these amendments.

Mr. McCONNELL. I say to my friend that I am still trying to learn what the second one is about. Clearly, the first one is going to be objectionable and will require a rollcall vote. One, I believe, requires a prior filing or clearance of direct mail pieces.

Mr. BOREN. One requires a prior filing of direct mail pieces, and another

that candidates participate in at least one debate. I guess they would both require rollcall votes. I do not know how long they would be required to debate.

Would the Senator be willing to accept 30 minutes, equally divided, on each amendment to be followed by two back-to-back votes?

Mr. GRAHAM. Yes.

UNANIMOUS-CONSENT AGREEMENT

Mr. BOREN. Mr. President, I ask unanimous consent that the Senator from Florida be recognized to offer two amendments, one on the subject of the registration of direct mail pieces, and the other on the subject of debates by congressional candidates; that the time on each of these amendments be 30 minutes each, equally divided; that upon the conclusion of the discussion of both amendments, there be back-to-back rollcall votes on the adoption of the two amendments, and that no second-degree amendments be in order.

Mr. COATS. Mr. President, reserving the right to object, and I do not intend to object. I am glad we are back on the bill and doing amendments.

However, this Senator was under the very distinct impression, after listening to the majority leader, that we would use the time from 7 o'clock to approximately 8 o'clock to offer amendments relevant to the bill that is on the floor. I have been waiting now for 2 days to make a statement on a nonrelated matter. I do not think I necessarily want to, or should even have the right to, impede this bill against the wishes of the Senate.

However, I was surprised to learn that, very quickly, we were off the bill and we were back in morning business, and now we have an amendment on a totally unrelated matter before us.

I guess my question is: Are we going to stay on this bill and amendments to this bill? If we are not, this Senator is going to seek every opportunity he can to speak on another matter?

Mr. BOREN. If the Senator will yield to me, it was the intention of this Senator to do the Graham amendments earlier, and we would have been prepared to vote on them by this time. I do not know exactly what happened. It was not the intention of this Senator to go to extraneous matters. We will have a discussion here during the debate of the amendments to work that out.

May I inquire of the Senator how much time he wishes to have on another matter and the nature of the matter?

Mr. COATS. Mr. President, I think it will probably take me 15 to 20 minutes. I do not really want to delay the work of the Senate, because I do not enjoy being here at 8:30 any more than anybody else does. In fact, I probably enjoy it less than some. I would like to proceed with whatever procedure we can pursue that would allow us to get home at a decent hour in the evening.

Mr. BOREN. I apologize to the Senator for the inconvenience. It was not in our plans. I think if we can go ahead, we have had a unanimous consent that we can go ahead on the Graham amendment, 30 minutes equally divided, and we will try to press on that. I will try to find out if any other amendments on the bill will be offered tonight. In any event, that will at least get these two votes starting at approximately 9:30.

Mr. COATS. I appreciate the efforts of the floor manager of the bill. I have a statement I would like to make before we recess. So if I can get that in at some point—and I do not know the schedule tomorrow. I am willing to wait until tomorrow if we will be here.

Mr. BOREN. I think we will be here tomorrow. If it is more convenient for the Senator to come in the morning and do that in the morning, fine; otherwise, this Senator would be happy to remain and make sure the Senator has the opportunity tonight.

Mr. COATS. I want to make sure it is convenient for the rest of the Senate. I do not want to necessarily hold anybody here.

Mr. BOREN. Mr. President, I ask the Senator from Florida, is it possible to shorten the time to 20 minutes, equally divided, on each amendment?

Mr. GRAHAM. I believe 10 minutes would be adequate for me to explain my position on each of the amendments. So 20 minutes, equally divided, would be fine.

Mr. BOREN. Mr. President, I revise my unanimous-consent request to ask that on two Graham amendments there be 20 minutes, equally divided, on each and that the vote on or in relation to the two amendments occur by rollcall vote at the end of all of that time.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRAHAM. Mr. President, I want to make a brief introductory comment, and then I will submit the first of the two amendments.

The focus of the legislation that we have been debating for the past 6 days is to limit the role of money in political campaigns. If the spending limits that are contained in this bill were to have been adopted in 1992, there would have been 148 House candidates and 39 Senate candidates who would have been in excess of the maximum which is provided.

There have been some concerns expressed, Mr. President, that one of the effects of the large amount of money that has been made available has been to increase the level of public interest and knowledge and information about political campaigns, issues and candidates, and therefore, it has contributed to what admittedly, has been a dismal level of voter turnout—that is, without that amount of public information that has been funded by politi-

cal contributions, and through political campaigns, the level of participation would have been even worse.

Therefore, Mr. President, I think it behooves us to look at the other side of this equation; and that is, as we restrict the amount of money that is going to be available for political campaigns, what do we add as a means of increasing the access of the public to good information upon which to make decisions and to become involved and motivated about the political process.

Therefore, Mr. President, I am going to be offering a series of, actually, four amendments—two this evening, and two at a later point—all of which are aimed at attempting to improve the quality of political campaigns.

The first of the amendments is essentially defensive in nature. It intends to inhibit what I think has been a growing abuse, an evil within the political system. The other three, the first of which will be the second I will offer tonight, intends to increase the public's access to quality information upon which to make good judgments. That will be an amendment which will require debates by candidates who accept the incentives and the voluntary spending limits under this legislation.

AMENDMENT NO. 385

(Purpose: To require contemporaneous notice of the mailing of campaign advertising that refers to an opponent)

Mr. GRAHAM. Mr. President, first, let me turn to the first amendment which I now send to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 385.

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

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

The amendment is as follows:

At the end of title VII add the following:

SEC. . CAMPAIGN ADVERTISING THAT REFERS TO AN OPPONENT.

Title III of FECA, as amended by section —, is amended by adding at the end the following new section:

"CAMPAIGN ADVERTISING THAT REFERS TO AN OPPONENT

"SEC. . (a) CANDIDATES.—A candidate or candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that directly or indirectly refers to an opponent or the opponents of the candidate in an election, with or without identifying any opponent in particular, shall file an exact copy of the communication with the Commission and with the Secretary of State of the candidate's State by no later than 12:00 p.m. on the day on which the communication is first placed in the mail to the general public.

"(b) PERSONS OTHER THAN CANDIDATES.—A person other than a candidate or candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that—

"(1) advocates the election of a particular candidate in an election; and

"(2) directly or indirectly refers to an opponent or the opponents of the candidate in the election, with or without identifying any opponent in particular,

shall file an exact copy of the communication with the Commission and with the Secretary of State of the candidate's State by no later than 12:00 p.m. on the day on which the communication is first placed in the mail to the general public."

Mr. GRAHAM. Mr. President, I believe that political campaigns are a form of public combat. I believe that it is in that field of the contest of ideas and personalities that the public is placed in the position to make a judgment relative to which candidate best represents their views, which candidate can best advance their views as their elected representative.

Unfortunately, that field is not always level and even and gives to the public that opportunity to make a balanced judgment.

There is the opportunity to use stealth, negative advertising which comes in not over the trestle but rather through the post office box in the form of negative mail, mail which is very difficult to know that it is being distributed and then to be able to respond to either on behalf of the candidate or on behalf of others who are in a position to give the public information.

I contrast what is happening in the area of mail with what is increasingly occurring as it relates to television and radio and other open forms of advertising.

In many of our major newspapers, it has now become the practice to critique particularly television ads in the same way that movies would be critiqued. If a candidate overreaches, misrepresents, he is subject to the constraint that that is going to be reported in the newspapers that will cover the same jurisdiction as the television ads.

I believe that has been a very positive development, that the openness with which those ads are now evaluated and where the public is given information upon which to assess how much weight to apply to that ad has contributed to positive political campaigns.

We do not have that opportunity as it relates to direct mail. There is not currently the means by which, first, it is known that such a direct mail campaign has been undertaken, second, to know what the message is, and third, to be able to effectively counteract it either in terms of an opposition candidate counteracting it or the media being able to give a focus of attention toward it.

So, Mr. President, I have offered as the first of the four amendments an amendment which would provide that a candidate or candidate's authorized committee which places in the mail

campaign advertisements or any other communication to the general public that directly or indirectly refers to an opponent or opponents in the election shall file an exact copy of the communication with the Commission, the Federal Election Commission, and with the secretary of state in the candidate's State by no later than noon on the day in which the communication is first placed in the mail to the general public.

The same requirement of filing the direct mail with the Commission and with the secretary of state is required of committees, persons who establish an independent campaign which advocates the election of a particular candidate and which directly or indirectly refers to the opponent of that candidate.

Mr. President, the purpose of this amendment is to see that our politics is given the benefit of the sunshine of knowledge of all forms of political communication and that all forms of communication, therefore, are on the battlefield competing with others, that there is no communication which can come in the night, come through the post office slot without the opportunity of knowledge and the ability to respond and the ability of independent observers to comment upon it and place it in context so that the voter can make an informed assessment of how much weight to give to that piece of political communication.

Mr. President, I believe that this is one step in a series of steps that we should take as we both reduce the influence of money and increase the ability of the voter to have access to the best information, information which has been fully disclosed and critiqued and, therefore, be able to render a judgment as to which political candidate, cause, and issue deserves their vote.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Kentucky [Mr. MCCONNELL] is recognized.

MCCONNELL. Mr. President, with regard to the first Graham amendment with reference to requiring the candidates to participate in debates, it could be useful for the Senate to know the Constitution protects both the right to speak freely and the right to refrain from speaking at all.

We begin with the proposition that the right of freedom of thought protected by the first amendment against State action includes both the right to speak freely and the right to refrain from speaking at all.

That was West Virginia State Board of Education versus Barnett. The Government may not enter the political marketplace by forcing individuals to subscribe to, or to advance messages dictated by the Government. Further, the Government is prohibited from requiring citizens who object to a position to effectively endorse that posi-

tion. Mandated speech that a speaker would not otherwise make necessarily alters the contents of that speech.

Mr. President, beyond the constitutional question, I think there is not any question in my mind that the Supreme Court would not allow requiring a candidate to participate in debates, in other words, requiring the candidate to speak when he chose not to speak as a precondition for receiving the public subsidy. I do not think the Court would allow that, but beyond what the Court might or might not allow, there is the practical question that it raises.

Some very outstanding public officials have been poor speakers and not very good at debating. I can remember probably the most famous Senator in the history of my State was a fellow by the name of John Sherman Cooper. He was a very poor speaker. As a matter of fact, some felt that was part of his charm and part of his appeal.

And for us to say to political candidates who exercise the right under the underlying bill to accept public funds that we have to adopt a certain kind of campaign practice, that is, to participate in a debate, as if to fail to participate in a debate is to somehow cheat the voters, raises not only, as I pointed out, serious constitutional questions, but also as a practical matter who is to say that requiring debate is in the best interest of a free and robust discussion of the issues?

Mr. President, that is essentially my argument against Senator GRAHAM's amendment to require candidates who accept public funding to participate in debates. I do not think the Court will allow it. If we do not care about that, I also think it does not make any sense from another point of view, which is that it presumes that all candidates are equally adept at debate and if one is not good at it and seeks to avoid debating his opponent the voters are somehow being cheated about learning what they should learn about the candidate.

Mr. BENNETT. Will the Senator yield?

Mr. MCCONNELL. I yield to the Senator from Utah.

Mr. BENNETT. I would ask the Senator if you have the same concern I do about the Federal Government entering into this field and having to give us definitions.

What constitutes a debate? If the two candidates meet on a street corner and exchange views with a reporter standing nearby, is that a debate? Does that meet the terms? Do they have to appear on television? How about radio? What if the debates takes place in the boardroom of a newspaper covered by the editorial board of the newspaper? Would that constitute a debate?

Does the Senator not agree with me that this is micromanagement to the fare-thee-well in a circumstance that should be normally as freewheeling as possible?

Mr. MCCONNELL. The Senator raises a very important point.

For example, in my race in 1990, I did want to debate. I challenged my opponent to a debate. But I defined a debate as follows: The two candidates and a moderator; not the two candidates and a panel of four reporters.

So the very question about what is or is not a debate that the Senator from Utah raises is a very good question.

What kind of debate would meet the standard of this requirement of the Senator from Florida?

Maybe this is a question that might well be asked of the Senator from Florida, who has proposed this amendment.

I say to the Senator from Utah, in my view the courts are not going to allow this amendment anyway, but even if the courts did allow it, it does raise the very serious question of definition, I would agree.

Mr. BENNETT. I thank the Senator.

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

The PRESIDING OFFICER. The Senator from Kentucky yields the floor.

Who yields time?

Mr. GRAHAM. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Florida has 4 minutes and 40 seconds.

Mr. GRAHAM. Mr. President, I have presented the first amendment, which was the amendment, that relates to the mandatory filing, both with the Election Commission and with the secretary of state in your State of mail which is intended to speak of your opponent and therefore making your definition of your opponent available for public scrutiny and comment.

I did not hear any discussion of that amendment. I am reluctant to conclude the debate on this amendment unless someone would care to speak.

Mr. MCCONNELL. I do intend to discuss that amendment. I just have not done it yet.

Mr. GRAHAM. I have no further comments on the first amendment, so I yield the floor.

The PRESIDING OFFICER. Do both sides yield back their time?

Mr. MCCONNELL. Mr. President, I reserve the remainder of my time.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 4 minutes and 25 seconds remaining.

Mr. MCCONNELL. Mr. President, the first observation I would make about the requirement of filing the mail piece in advance is that it is a completely impractical suggestion. It smacks of prior restraint upon the candidate. It seems to me that unduly micromanages and interferes with the conduct of the campaign.

The first amendment implies, if it means nothing else, that we have robust campaigns in this country, freedom of expression, and minimal

amount of Government interference in the conduct of campaigns.

Even if it were to be found to be constitutional, which I think is probably unlikely, that you sort of have to profile your speech for approval by some kind of central government agency before you can communicate with the voters in a campaign smacks of big brotherism to me.

We are past 1984. It is 1993. But the thought you would have to sort of preclear your speech with some central government authority to me is completely foreign to the American experience.

I just would say, Mr. President, that even if it were constitutional to kind of preclear your comments, I think it is a completely impractical suggestion.

At the height of the Red scare in this country, some laws were passed in an effort to require registration and disclosure of the procedures of various pamphlets which were deemed to be subversive. The Supreme Court took a very negative view of such requirement, noting that the famous revolutionary piece Common Sense, by Thomas Paine, was originally distributed as an anonymous news pamphlet. Thomas Paine originally distributed it as an anonymous pamphlet.

Direct mail is nothing more than a modern pamphlet. I cannot imagine how the Supreme Court would rule any differently of this issue that it did several decades ago.

Mr. BENNETT. Will the Senator yield?

Mr. MCCONNELL. I yield to my friend from Utah.

Mr. BENNETT. Once again I rise to talk about the practicality of this.

It is to be filed with the secretary of state. What is the secretary of state supposed to do with it? What if the secretary of state decides to run an advertisement commenting on it while the secretary of state of another State decides to put it in the wastebasket?

Should there not be accompanied with this, if we are going to micromanage this point, some direction to the secretary of state?

We are just told it has to be filed with him and then it is left up to his discretion.

It is, in my view—and I would ask the Senator if he would agree—an intrusion into a circumstance that starts us down the road of the first requirement that must then be followed by a second requirement of the explanation, it must then be followed by the third requirement and defining what the second requirement is and ultimately producing a stultifying effect.

Does the Senator not agree?

Mr. MCCONNELL. I could not agree more with the Senator.

I know they seem to be unconstitutional, and if not unconstitutional, they certainly are unworkable and difficult to define. And it is hard to imag-

ine how they could possibly work in a campaign context without totally interfering with the conduct of the kind of robust campaigns that you are entitled to conduct in this country and free to conduct under the first amendment to the Constitution.

So I thank my friend from Utah for his observations. I think he is right on the mark.

The PRESIDING OFFICER. All time of the Senator from Kentucky has expired.

The Senator from Florida has 3 minutes and 8 seconds remaining.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I think the discussion that has just been conducted by the Senator from Kentucky indicates the very utility of this type of a disclosure of what would otherwise have been an unseen, incapable of responding to mail communication. That is, the opportunity to talk about the facts rather than the myth. The amendment I have has absolutely no quality of preclearance or censorship or any involvement in terms of what the language of the communique will be. It solely requires that the communique be filed—filed in two places: With the Federal Elections Commission, and with the secretary of state of the State in which the election is being conducted.

The purpose of this is not to limit a robust campaign, but to allow a robust campaign to occur, with everyone knowing what statements and representations have been made. This leaves it to individuals, the media, individual citizens, to know what is being said—both what is being said over the airwaves, what is being printed on the page, and what is being said by direct mail. And then have an opportunity to have a robust debate about them.

We all are aware of instances in which information which a candidate or his supporters would have been woefully unwilling to have put into a public forum has been distributed through these kinds of hidden direct mail campaigns. This would just make that information fully available, public, capable of being scrutinized, capable of being commented upon. And then having whatever impact it might on the outcome of the election.

Mr. MCCONNELL. Will the Senator yield for a question?

Mr. GRAHAM. Yes, the Senator yields.

Mr. MCCONNELL. I ask my friend from Florida, in section (b) of his amendment:

PERSONS OTHER THAN CANDIDATES.—A person other than a candidate or a candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that—
(1) advocates the election of a particular candidate in an election; and (2) directly or

indirectly refers to an opponent or the opponents of the candidate in the election, with or without identifying any candidate in particular—

It sounds to this Senator like that could also be a letter to the editor.

I was curious as to whether or not that does not sound very much like a letter to the editor to my friend from Florida.

Mr. GRAHAM. It would have to be a statement which is directed towards the general public, meeting two tests: First advocating the election of a particular candidate; and, second, directly or indirectly referring to the opponent. It is the same concept as it relates to an independent organization, that the first paragraph is as it relates to a candidate or the candidate's campaign.

The PRESIDING OFFICER. All time has expired.

The Senator from Florida is recognized to offer a second amendment.

AMENDMENT NO. 386

(Purpose: To make it a condition of eligibility to receive benefits that an eligible Senate candidate agree to participate in debates)

Mr. GRAHAM. Mr. President, I will send to the desk my second amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 386.

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

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

The amendment is as follows:

On page 8, line 2, strike "and".
On page 8, line 4, strike the period and insert "; and".

On page 8, between lines 4 and 5, insert the following:

"(F) the candidate agrees to participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other eligible Senate candidates for the seat sought by the candidate.

On page 28, between lines 9 and 10, insert the following:

(f) FAILURE TO PARTICIPATE IN DEBATE.—If the Commission determines that an eligible Senate candidate failed to participate in a debate as agreed under section 501(c)(1)(F) and was responsible at least in part for the failure, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title.

On page 28, line 10, strike "(f)" and insert "(g)".

On page 28, line 20, strike "(g)" and insert "(h)".

On page 28, line 24, strike "(h)" and insert "(i)".

Mr. GRAHAM. Mr. President, just to conclude, in my time on the second amendment, the discussion on the first amendment, the concluding phrase under both the requirement of filing by candidates and the requirement of fil-

ing by persons other than candidates, is that this relates to mail to the general public. It does not apply to mail to a specific individual or entity, such as the Senator from Kentucky had suggested, mail directed to a newspaper which the newspaper might choose to print for broadcast circulation.

If the newspaper prints it for broadcast circulation, you do not need this filing because, by definition, it is in the public domain; therefore it is available for the robust debate that we hope to achieve.

Mr. President, the second amendment goes to the question of, if we are going to be providing public incentives and a form of public financing for candidates, what are the obligations the candidates have towards the public?

I believe the purpose of a political campaign is to develop a relationship between the candidate, hoped-to-be officeholder, and the public, so that when that person, if their desire is fulfilled and they are elected—there will be a sense of responsibility, of what the citizens can expect of their officeholder and what the officerholder has a right to expect of the citizens.

I believe one of the important ways in which that relationship can be established is through the forum of open debates between candidates.

Debates have been an important part of our Nation's political history. We have seen this fall the important role that candidates, standing side by side in a variety of forums, can have in terms of both educating and exciting the public about an election. One of the phenomenal things about the debates in the 1992 Presidential election is the fact that the audience grew throughout the fall. More people watched the last debate than watched the first debate. That, to me, is an indication of the level of growing interest in the campaign, which interest was capped out by a voter turnout which reversed a long series of declining public participation in Presidential elections.

It has been suggested that we are doing something here which is unusual. It might even be unconstitutional. It is against the American tradition.

I point out that on page 128 of the bill we are debating, we make this same requirement of candidates for the office of President and Vice President: That they will be required, as a condition of accepting public financing, to participate in debates.

How can we, as the Congress, say that is an appropriate requirement to impose upon candidates for the Presidency and the Vice Presidency, and yet it is not one that, if we elect to secure the benefits of public incentives and public financing, we should not place upon ourselves? I believe we have every right—we, the American people—to condition the acceptance of public assistance in a campaign with the requirement that candidates engage in

what has been one of the most effective ways of both educating the public and educating the candidate as to the public's desires.

Mr. President, I believe this is another important step, as we reduced the influence of money, that we would increase the opportunities for the American people, through other means, to secure information which will contribute to a robust, intelligent debate; that will facilitate the American people's ability to participate and shape their democracy.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kentucky [Mr. McCONNELL].

Mr. McCONNELL. Mr. President, finishing my observations on the previous Graham amendment, the plain reading of the amendment—and we know there are a number of articles in the Washington Post recently indicating the Supreme Court is increasingly disinclined to look at legislative history, but rather at the plain meaning of the language.

I respectfully suggest to the Senator from Florida, as well as to the Members of the Senate, the plain meaning of section (b) of the amendment, first amendment of the Senator from Florida, means that letters to the editor in support of a candidate or in opposition to a candidate that a citizen may send would have to be prefilled with the secretary of state.

Mr. President, I think clearly the Supreme Court would consider that prior restraint; unduly interfering with the conduct of a campaign. And I think the same kind of argument would stand against the second Graham amendment, to compel a candidate, as a condition for accepting public money for a political campaign, to participate in a debate.

I simply repeat what I said earlier. I would not repeat it, by the way, if I thought it would get a quicker vote. But it is my understanding, I say to my colleagues, that some have said they do not want to vote until 9:30 because a number of Senators were off the Hill. If it were up to this Senator we would vote on both of these amendments now.

Since that is not possible, let me point out again the Supreme Court has clearly said that mandating speech that a speaker would not otherwise make necessarily alters the content of the speech.

The Supreme Court clearly has said that you cannot compel somebody to speak or to refrain from speaking. That is what the Graham amendment simply does.

So it seems to this Senator that not only are both Graham amendments impractical, both Graham amendments are in all likelihood unconstitutional.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Kentucky has 7 minutes and 45 seconds.

Mr. McCONNELL. Mr. President, I will reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky reserves the remainder of his time. Who yields the floor?

The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I reserve the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. Time will be charged to the Senator from Florida, who suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAHAM. 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. GRAHAM. Mr. President, if we are not going to vote until 9:30, it is my hope that we could put these two amendments aside until maybe 9:20, and then immediately in advance of the vote be able to conclude the debate with the time we have remaining. If that is acceptable with the manager on the other side, I ask unanimous consent that these two amendments be put aside until 9:20, at which time the remainder of the time for debate would be available, with a vote on the two amendments commencing at 9:30.

The PRESIDING OFFICER. Is there objection?

Mr. McCONNELL. Mr. President, reserving the right to object. I did not hear the request. Could the Chair repeat the unanimous-consent request?

The PRESIDING OFFICER. The unanimous-consent request is to hold these amendments until 9:20.

Mr. McCONNELL. Mr. President, in order to consult with the Republican leader, I suggest the absence of a quorum.

Mr. GRAHAM. Mr. President, I ask unanimous consent that, during the quorum call, time not be judged against either side.

The PRESIDING OFFICER (Mr. BRYAN). Is there objection? Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the distinguished Senator from Indiana be recognized to address the Senate for up to 15 minutes; that following the completion of his remarks, there be 10 minutes for debate on the Graham amendments, equally divided between Senator GRAHAM of Florida and Senator McCONNELL; and that upon the completion or

yielding back of time on that debate, the Senate vote on, or in relation to, the Graham amendment No. 385, to be followed immediately, without any intervening action or debate, by a vote on, or in relation to, the Graham amendment No. 386.

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

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. Pursuant to the unanimous-consent agreement, the Senator from Indiana is recognized for a period of 15 minutes.

FRESH GARLANDS FOR ANCIENT BATTLES

Mr. COATS. Mr. President, it is appropriate that we focus debate on the troublesome situation in Bosnia, and I'm pleased that Members of the Senate have today, even in the middle of the debate on campaign finance reform, continued the efforts to wrestle with the extraordinarily difficult questions related to what role the United States should play in attempting to resolve the issue.

Mr. President, anyone who cares about the Balkans is forced to be an amateur historian, for its people are drunk with history. They search it for bitterness, scar it with crimes and carefully pass its burdens to their children.

In 1389, Serbian knights battled Ottoman Turks on a plain at Kosovo. The Serbs were routed, beginning centuries of Moslem rule. Their leader, Lazar, was executed—beginning a career of martyrdom. The place was called the Field of Black Birds because the bodies of dead Serbs were left to be eaten by them.

In 1988, in anticipation of the 600th anniversary of that battle, Lazar's body was dug from the ground. His coffin was taken on a tour of every village and city of Serbia. Everywhere it went, it was met by huge crowds of wailing mourners dressed in black. In the Balkans, the past has invaded and conquered the present. The offenses of six centuries are as fresh as the first flowers.

"Every Serbian peasant soldier knows what he is fighting for," Journalist John Reed wrote during World War I. "When he was a baby, his mother greeted him, 'hail, little avenger of Kosovo.'"

Historian Robert Kaplan describes a visit to the monument recalling Lazar's defeat:

I saw . . . a block of grim, blood-colored stone, about 100 feet high, well-socketed on a wind-swept hill overlooking Kosovo. The monument rested on a platform surrounded by bullet-shaped cement towers inscribed with a sword and the numbers "1389-1989." Atop each tower was a fresh laurel wreath.

Fresh laurels for ancient battles. In this part of the world the normal rules

of memory don't apply. Nothing that is lost is ever forgotten. Nothing that is gained is ever abandoned. The peoples of the Balkans are bound in the strait-jackets of their past. They suffer from a hemophilia of historical memory. The bleeding will not end.

On every side there is much to mourn, and much to hide. It is easy to find a root for every grievance and a cause for every act of violence. The album of Balkan history might easily be the snapshots of a tourist in hell.

After the Macedonia uprising of 1903, Ottoman Turkish soldiers killed nearly 5,000 civilians. In one village, they reportedly raped 150 women and girls; 50 Ottoman soldiers raped 1 girl before finally killing her. They cut off another girl's hands to take her bracelets. A correspondent from the London Daily News at the scene wrote:

I will try to tell this story calmly. . . . One must tone the horrors down, for in their nakedness they are unprintable.

During the Balkan wars of 1912 and 1913, a Macedonian bishop ordered the assassination of an opposing politician and had his severed head brought back to the church to be photographed.

Assassination has been a traditional tool of public policy in the region. Archduke Ferdinand was murdered by Bosnian Serbs trained by the Serbian Secret Service, protesting against the annexation of Bosnia by Austria. The Catholic Habsburgs reacted by executing hundreds of innocent Serbian peasants.

In 1928, Serbs began assassinating Croatian members of the Yugoslav Parliament. In 1934, the Serbian King Alexander was killed in an open carriage during a trip to France by a Macedonian assassin hired by Croat separatists.

In World War II, Croats allied with the Nazis executed hundreds of thousands of Serbes, Jews, and Gypsies. Croat fascists in Bosnia killed Serbian orthodox women and children by throwing them off cliffs. Croat Catholic priests tried to force conversions from orthodox Serbs minutes before they were slaughtered. Serbian Chetnicks killed large numbers of Croats in revenge.

In recent months, we've seen Serbians commit systematic rape, and return the practice of ethnic cleansing to Europe. One doctor in a Moslem area recently reported, "We get a lot of children with direct hits in the head from snipers. At that range, it can't be an accident."

A Moslem fighter comments, "The land remembers every one, even the murdered babies who have no names." A Serb fighter explains, "Here, yesterday, someone killed our people, and today we have to live with them? Impossible." Those violent yesterdays stretch to centuries. In the Balkans, the dead do not bury the dead. The dead bury the living.

We hear a lot of comparisons to Vietnam, or to the gulf war or to the religious conflicts of the Middle East. But we don't need historical analogies from other places. The region has more than enough history of its own. It nourished the roots of modern terrorism. It witnessed the rise of clerical fanaticism. Its only periods of modern peace have been when repression prevented violence.

This is one of history's open wounds—its ancient hatreds radicalized by modern ideologies. This is the region America is now asked to help pacify. This is the history we are supposed to change with carrots and sticks, with embargoes and airstrikes, with safe havens or the sacrifice of American soldiers.

The conflicts of the past now yield to the crisis of hour. For the first time, we seem to have an interim policy from the Clinton administration and our allies, or at least some of our allies—the protection of safe havens for fleeing Bosnian Moslems. But, at best, this is a short-term response. Lives will be protected for the moment, on what Bosnian Moslems call reservations. Yet the day that U.N. troops pick up and leave, who doubts that the fighting will return?

Safe havens have a humanitarian motivation, but they will also speed the process of ethnic cleansing. Bosnian Moslems who have not already left their homes will have an additional incentive to move into havens—the incentive of safety. The gains of Bosnian Serbs will be consolidated—which explains their enthusiasm for this plan. Safe havens are, in essence, a grand nonconclusion. They will temporarily freeze the fighting, not end the conflict.

It is welcome news that American ground troops will not be involved at this stage. Who knows how Serb militia and artillery will test the resolve of U.N. troops? Will we see an endless war of sniping and attrition? Is this an endless commitment, with no hope of final resolution?

It is unwelcome news that the President has promised military support in the air. Our pilots may be asked to attack Serb militia forces if they threaten U.N. positions. By this pledge, we are assuming risks with little knowledge where they might lead.

A police action protecting safe havens will stop some short-term suffering—but it will answer few long-term questions. After we purchase a temporary peace for fleeing refugees, what is our eventual goal? On this question, the administration is silent.

Our commitment to small, isolated safe havens cannot be permanent. What will happen next? Will fighting break out between Serbia and Croatia? What are Serbian designs on Kosovo and its Moslem population? Will Bosnian Moslems ever be allowed to return to their homes?

We cannot defend safe havens indefinitely. Indefinite national commitments run head-long into limited national will. Every American death will raise questions with more insistence: What is our goal, and when do we leave?

When it comes to that goal, after all our posturing, we are no closer to finding it. What can we really hope to accomplish in this historical maze which seems to have no exit?

First, we can hope for peaceful negotiations to settle old scores and old conflicts. But this is to hope against hope. Bosnian Serbs believe they bought Bosnian soil with their blood. There is no leverage we can apply against the Bosnian Serbs to force concessions. They hold the land they seek. They would laugh at further threats of force. Victors just beginning to enjoy their spoils are not eager to surrender them.

Second, we can attempt to arm the Bosnian Moslems so they can eventually defend themselves and preserve a balance of power in the region. With safe havens at the center of our policy, this approach does not seem possible. If we arm Bosnian Moslems within the havens we've created, it would invite Serbian attacks on U.N. forces, and require an American response from the air. Under these circumstances, safe havens would be transformed into military bases, from which Moslems could launch operations against the Serbs. We would be joining the fighting as a combatant, and we would surely be drawn to its center.

Arming the Bosnian Moslems as an alternative to safe havens avoids some of these problems. It has the appeal of fairness, helping the underdog in an unbalanced fight. If it works as planned, it may contain Serbian aggression nearer its source and provide leverage for the Moslems at the diplomatic bargaining table.

But arming the Bosnian Moslems raises serious questions as well:

Would lifting the embargo actually sustain the suffering by extending the conflict? Moslems, Serbs, and Croats are all capable of revenge and atrocities when they get down to the business of slaughter. The British Defense Minister has noted, "You could not ensure that arms were only used against Serb combatants." Wouldn't we just be restarting the war on more equal terms?

Would escalating this conflict put humanitarian aid efforts at risk and place peacekeepers in a cross-fire?

If the embargo is lifted, where will Moslems get these arms and what level of military technology will they need to balance the Serbs? Bosnian Serbs already have the remnants of a heavily equipped Yugoslav Army. Bosnian Moslems will need more than small arms to be a credible fighting force. Will America provide more sophisticated weap-

ons? Will we also need to provide military advisers to train the Bosnian Moslems to use them? If America does not provide those arms, who will fill the vacuum?

Is it simply too late for this option? Serbs and Croats already hold much of the territory they want. Would the goal be to funnel enough arms to Bosnian Moslems just to defend the little land they have left, or to reconquer territory they've lost?

If lifting the embargo and siding with the Moslems does not work, will we be creating increased momentum toward American intervention on the ground?

A third policy option is to extend our police action to an invasion, enforcing a new division of the region—rolling back the gains of Serbians and Croats and moving populations from place to place. The goal here is to do something fundamental—something beyond cosmetic change. But the price would be high, and the results uncertain.

History provides an interesting parallel. In 1904, after the Macedonian uprising against Ottoman control was brutally crushed, there was a public outcry. As a result, British Prime Minister Balfour, Czar Nicholas II, and Hapsburg Emperor Franz Josef met to approve a program for Macedonia that involved an international peacekeeping force. Russian, Austrian, French, Italian, and British zones were created, with Germans in charge of inspecting the schools. The plan also divided Macedonia into districts based on ethnic divisions. But the proposed settlement failed. According to one historian, "this provision simply gave rise to further battles between armed groups, each attempting to secure control of a district area."

Does that sound familiar? It is precisely what has happened with the well-intentioned Vance-Owen plan. It has given Serbs and Croats an incentive to stake out the areas they've been assigned and rid them of Moslems by force. One British commander said of recent fighting, "everyone says Vance-Owen is to blame."

Realistic estimates on the number of troops required to impose a peace on Bosnia range to 300,000. They may quickly destroy organized opposition—but disorganized opposition can be deadly as well. These soldiers could easily find themselves in a state of perpetual siege.

The testimony of Lt. Gen. Barry McCaffrey before the Armed Services Committee was sobering.

You are dealing with 23,000 square miles of a country slightly larger than South Vietnam. It is four times bigger than Northern Ireland, with 200,000 armed people in it.

Even if these military objectives can be achieved, the political objective is far more difficult. Will an international tribunal be able to sit down and undo the crimes of history? Will it overcome, with pen and paper, the leg-

acies of the Ottomans and the Austrians, of Fascists and Communists?

There has been a persistent desire in our century to use social engineering, even to adjust the balance of history. Mr. Vance and Mr. Owen shared a sixth-floor suite in the Palace of Nations in Geneva—the former seat of the League of Nations. It is a place haunted by good intentions and meager results. At Versailles, diplomats attempted to create a new world. They created, instead, the causes of another war. Well-intentioned tinkering in ancient conflicts has no record of success in our time.

What option is left to us?

In the region, at some point, American interests are directly threatened by the spread of the conflict. Continued Serbian aggression to the south could involve Albania, Turkey, and Greece, and compromise the structure of NATO. The President needs to determine that point where American interests are triggered and draw a line, he must define a response if that line is crossed, and exert American leadership to enforce it. He must do these things in consultation with our allies, but without accepting an allied veto. And he must communicate the reason for this commitment to the American people. Once that line is drawn—something that has not been done—it cannot be redefined or changed. American credibility hangs in the balance. Another Clinton bluff would be an American disaster.

In this debate over Bosnia, there is much at stake. Our decisions have broader implications than the Balkans. They shape a vision of American interests and responsibilities around the world. They raise a question as weighty as any we face: When are American casualties justified by American aims?

An age of instant communication brings nightmare images of the world's suffering into every living room. Those images could be broadcast today from Bosnia—but also from Armenia, or ethnic cleansing in Tajikistan, or atrocities in Cambodia, or Rwanda, or India. There is no shortage of irrational cruelty in the world.

An individual with half a heart demands justice. A government shares that outrage, but has a further responsibility. America is bound by justice—but it is also bound by prudence. It cannot end suffering everywhere, because of limits on its will and power, and the sobering cost in lives of its own soldiers. If America ends suffering anywhere, it must make tragic, conflicted but necessary choices.

What is the content of a prudent American foreign policy?

First, we must be committed to defend vital American interests. This is an open-ended pledge, involving whatever force is necessary to meet the objective. Defense of our territory, free-

dom of the seas, the defense of our allies, access to resources, stability for trade, the safety of Americans abroad—these are traditional commitments of enduring importance.

Second, there is a different standard for sending troops into conflicts that engage only our moral or humanitarian concerns, not our direct national interests. In these cases, we can support intervention, but only when it does not substantially undermine our broader interests. That means, in general, minimal casualties, clear objectives, and a limited timetable.

When we enter the quicksand of a hopeless and endless humanitarian mission, we squander two things. First, we waste American lives, a burden I will not bear. Second, we squander the will of the American public to intervene in the future—even when such interventions are important to our interests. This is one lesson of Vietnam: It is possible to wound our national confidence along with our national power.

Why is this important? Ironically, it is important because we cannot be isolationists. Changing threats will require America to be more active in the world than in the past. Weapons of mass destruction and ballistic missile technology proliferate. American intervention will be essential to avoid a future of blackmail and sudden suffering. If we compromise that mission with misguided conflicts that undercut our credibility and our national willingness to send troops in other situations, we have done nothing for the cause of peace.

American power, prestige, and will today are unparalleled, but not unlimited. We are required by reality to be selective in our attention to the injustices of the world precisely because, as a superpower, we have great responsibilities that must not be undermined.

We have seen a building pressure to do something dramatic in Bosnia—not only to combat an enemy, but to combat our sense of powerlessness. But there is no heroism in a futile gesture—just American frustration and the death of young soldiers.

When our interests are clear, thousands of casualties may not be too high a price. When our goals are uncertain, one death is too many. This is not weakness. It is the careful defense of American power and will, a responsible concern for America's Armed Forces, and a healthy respect for the complexities of history.

Apart from the substance of this debate, we are learning there are ways to compromise our influence that have little to do with Bosnia. They have everything to do with an administration that does not seem to know its mind or know the world.

In the last few months, President Clinton has had a very expensive tutorial on foreign affairs. He promised a

policy in Bosnia with a beginning, a middle, and an end. The beginning was utter confusion, blustering, and then retreat. The middle is a policy of safe havens that accepts a defeat and calls it peace. The end is nowhere in sight.

This is on the job training—and it is dangerous. America is rapidly spending its diplomatic capital while President Clinton learns the business of international politics. In the process, two disturbing signals have been sent.

The first signal went to our allies. Just a few weeks ago, President Clinton challenged Europeans to join the United States "quickly and decisively" in taking tougher measures against the Bosnian Serbs. Our Secretary of State flew to Europe to get approval for military steps. But the expectations they purposely raised were undercut, along with American credibility. It looked to Europe like the charge of the lightweight brigade.

The New York Times reported, "The reason Mr. Christopher has so little room to maneuver, officials said, is that Mr. Clinton remained uncertain of his own goals and wanted to keep the maximum flexibility should he decide to amend or abandon his plan." A senior British official commented, "Frankly, he didn't do a very good job of presenting his case. At times, we weren't even sure what his case was." Newsweek reported, "According to allied sources, Christopher stunned his listeners by pressing a vague plan."

Even administration officials were concerned. One commented, "it's not surprising that the Bosnian Serbs concluded we were bluffing * * * We either should have had our ducks in a row before Chris left, or he should have stayed home and hid behind his poker face. As it is, we looked like beggars."

Secretary of Defense Aspin is fond of saying about Bosnia, "All options are bad, some are worse." Among the worst options is the one the President took: To threaten and then surrender.

The explanation of one Clinton advisor was deeply disturbing.

The President's created a political problem for himself, so he's seeking to get out of it politically, with tactics that have the look and feel of real, muscular action. That's the game now. The morality rhetoric—the Holocaust analogy and all that—will of course continue as the President rallies the country. But as the underlying reason for action, morality takes a back seat to politics.

Issues of peace and war are not just some political game, to be shaped with the message of the week and the poll of the day. The hedging pledges of the campaign trail are not adequate to the defense of American interests and American credibility. President Clinton is quickly finding that when you don't know where you are sailing no wind is favorable.

The second signal was sent to the rest of us. The signal of a President who actually complained how much time he had to spend on international

affairs. The signal of a President who made military policy through trial and error. The signal of a President whose vacillations gave strength to our opponents and pause to our friends. These signals have raised a serious concern: Is the foreign policy of the United States in competent hands? It is too early to give an answer. It is too late to avoid the question.

The Balkans are a region where the hand of history is heavy—and there is one analogy of history I can't help but draw. I visited the marines in Beirut following the death of 237 United States servicemen in a terrorist bombing. Those young marines were sent to heal another ethnic and religious conflict, with little specific direction. They were sent out of compassion. They were sent for the highest of motives. And they were sent to their death without good reason. We saw the anguish of innocent people in hopeless conflict, and did nothing but add our suffering to their own.

Gen. John Vessey summarized the lesson of Lebanon which should be engraved on a monument to their sacrifice. "Don't get small units caught between the forces of history."

I have called the parents of sons and daughters from my State who died in service to their country. It is among the hardest things I've ever done. In part, we in the Senate bear the burden of our Nation's choice between war and peace. And that burden is heavier than the weight of good intentions.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. MCCONNELL. Mr. President, briefly, as we grind to the end of a long day, with regard to the two Graham amendments, the first one would require citizens to file not only with the Federal Election Commission but also with the secretary of state of their State any communication in support of or in opposition to a candidate. I think Senators should know before casting this vote that under the plan meaning of this amendment, this would clearly cover letters to the editor on behalf of or in opposition to a candidate.

If this person failed to register with the FEC, or the secretary of state, they could, under the amendment, get a \$5,000 civil penalty. If a grandmother mails a letter to the editor in support of or in opposition to a candidate and fails to file with the FEC and the secretary of state in their own State, she could conceivably get a \$5,000 civil penalty. It also would cover a communication, presumably, through the mail by, say, a union leader, to his friends in the neighborhood, or to any other group defined as being in the general public.

In short, this not only raises serious constitutional questions but also is totally micromangement of campaigns.

With regard to the other Graham amendment requiring debates, what Senator GRAHAM is saying, in effect, with that amendment is that all eligible Senate candidates receiving public funding have to participate in a debate.

That means that Senate candidates across America will have to debate every fringe candidate, as well as their opponent of the major party, who qualifies for Federal funds. In short, not only does it make a candidate participate in debates when he might choose not to, he might have to debate every fringe candidate who also may be stuck with this.

I hope both of these ill-advised amendments will be defeated.

I yield the floor.

Mr. GRAHAM addressed the Chair. The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

Mr. GRAHAM. Mr. President, as I said when we commenced this debate, the essential purpose of the legislation before us is to reduce the role of money in political campaigns. I support that.

I believe that the limitation on spending is the central provision of this legislation. But I think there is some credence to the argument that if you are going to limit spending, what is going to be done on the other side of the equation to enhance the quality of public information, so that the public, now with less of the information that is being paid for by these enormous campaign expenditures, will have some other access to, hopefully, better information. It is to that end that these two amendments are offered.

The first is essentially defensive. It says that we should treat direct mail—mail which is sent to the general public—in much the same way that increasingly we are treating broadcast communication to the general public. And that is, let us make it available. We do not censor it. We do not have any free clearance. We just make sure that it is available and that everyone knows about it, so that other candidates can comment on it, can correct it if it is in error, so that third parties, such as the media, can comment on it and bring to the public's attention the context.

This has had, I suggest, a very purifying effect as it relates particularly to television advertisement, that there has been external comment on campaign ads. And it has caused those ads to become less likely to hedge the truth, less likely to launch unsubstantiated attacks against an opponent. We do not have that opportunity today with direct mail.

This amendment would make it available by requiring that direct mail be filed in a public place on the same day that it is mailed to the general public.

The second amendment, Mr. President, is offensive. It says if you are going to accept public money, which is a voluntary act—but if you agree to accept it—you ought to present yourself to the public in at least one public debate with your opponent.

Mr. President, debates have been an important part of the American political tradition since our beginning. We saw last fall the positive effect that debates could have in terms of energizing the public toward candidates and increasing the level of voter participation.

We are requiring in this very legislation that debates become an obligation of Presidential and Vice Presidential candidates who accept public funds. How can we go back to our constituents and say, "We required the President and the Vice President to speak to you in debates, but we were unwilling to apply the same standard to ourselves," when we have accepted public funding for our campaign?

Mr. President, I believe that this legislation that we have before us takes a significant step in terms of reducing the invidious impact of too much money in political campaigns. Now, if we can complement that progress by providing that there will be greater public knowledge of the information and the advocacy that comes to the public in ways that would otherwise be undisclosed, particularly through direct mail, and the requirement that candidates stand up before the voters and present themselves, be subjected to the kind of analysis that comes in a candidate-to-candidate debate, I believe that we will have made a significant step forward in terms of what the people have a right to expect from their democratic political process.

Mr. President, I urge the adoption of both of these amendments.

The PRESIDING OFFICER. The Senator from Kentucky is recognized. I advise there are 35 seconds remaining under the control of the Senator from Oklahoma.

Mr. FORD. I might have that 35 seconds in order to adopt the adjournment resolution.

ADJOURNMENT OF THE TWO HOUSES OVER THE MEMORIAL DAY HOLIDAY

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to consideration of House Concurrent Resolution 105, the adjournment resolution.

The PRESIDING OFFICER. The clerk will report the concurrent resolution.

The bill clerk read as follows:

A concurrent resolution (H. Con. Res. 105) providing for an adjournment of the House from the legislative day of Thursday, May 27, 1993 to Tuesday, June 8, 1993, and an adjournment or recess of the Senate from Friday, May 28, 1993, until Monday, June 7, 1993.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 105) was agreed to, as follows:

H. CON. RES. 105

Resolved by the House of Representatives (the Senate concurring). That when the House adjourns on the legislative day of Thursday, May 27, 1993, it stand adjourned until noon on Tuesday, June 8, 1993, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Friday, May 28, 1993, pursuant to a motion made by the majority leader, or his designee, in accordance with this resolution, it stand recessed or adjourned until noon, or until such time as may be specified by the majority leader or his designee in the motion to adjourn or recess, on Monday, June 7, 1993, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

Mr. FORD. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Florida is recognized.

AMENDMENT NO. 385 AND AMENDMENT NO. 386

Mr. GRAHAM. Mr. President, I ask unanimous consent that it be in order to request the yeas and nays on the two pending amendments.

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

Mr. GRAHAM. Mr. President, I ask for the yeas and nays on each of the amendments.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, the question now occurs on amendment No. 385, offered by the Senator from Florida [Mr. GRAHAM].

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Nebraska [Mr. EXON], the Senator from Alabama [Mr. HEFLIN], and the Senator from Texas [Mr. KRUEGER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS], the Senator from Arizona [Mr. MCCAIN], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 45, as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—47

Akaka	Feinstein	Moseley-Braun
Biden	Glenn	Moynihan
Bingaman	Graham	Murray
Boren	Harkin	Nunn
Boxer	Johnston	Pell
Bradley	Kennedy	Pryor
Breaux	Kerry	Reid
Bryan	Kohl	Riegle
Bumpers	Lautenberg	Robb
Byrd	Leahy	Rockefeller
Campbell	Levin	Sarbanes
Conrad	Lieberman	Sasser
Daschle	Mathews	Simon
Dodd	Metzenbaum	Wellstone
Dorgan	Mikulski	Wofford
Feingold	Mitchell	

NAYS—45

Bennett	Durenberger	Lott
Bond	Faircloth	Lugar
Brown	Ford	Mack
Burns	Gorton	McConnell
Chafee	Gramm	Nickles
Coats	Grassley	Packwood
Cochran	Gregg	Pressler
Cohen	Hatch	Roth
Coverdell	Hatfield	Shelby
Craig	Hollings	Simpson
D'Amato	Inouye	Smith
Danforth	Jeffords	Stevens
DeConcini	Kassebaum	Thurmond
Dole	Kempthorne	Wallop
Domenici	Kerrey	Warner

NOT VOTING—8

Baucus	Helms	Murkowski
Exon	Krueger	Specter
Heflin	McCain	

So the amendment (No. 385) was agreed to.

Mr. GRAHAM. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 386

The PRESIDING OFFICER. Under the previous order, the question now occurs on amendment No. 386. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Nebraska [Mr. EXON], the Senator from Alabama [Mr. HEFLIN],

and the Senator from Texas [Mr. KRUEGER] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS], the Senator from Arizona [Mr. McCAIN], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Pennsylvania [Mr. SPECTER] are necessarily absent.

The PRESIDING OFFICER (Mr. HARKIN). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 42, nays 50, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—42

Biden	Ford	Moynihan
Bradley	Gorton	Murray
Breaux	Graham	Nickles
Brown	Jeffords	Nunn
Bryan	Kennedy	Pell
Byrd	Kerry	Reid
Cohen	Kohl	Riegle
Conrad	Lautenberg	Robb
Daschle	Leahy	Rockefeller
DeConcini	Levin	Sarbanes
Dorgan	Lieberman	Simon
Durenberger	Mikulski	Warner
Feingold	Mitchell	Wellstone
Feinstein	Moseley-Braun	Wofford

NAYS—50

Akaka	Dole	Lugar
Bennett	Domenici	Mack
Bingaman	Faircloth	Mathews
Bond	Glenn	McConnell
Boren	Gramm	Metzenbaum
Boxer	Grassley	Packwood
Bumpers	Gregg	Pressler
Burns	Harkin	Pryor
Campbell	Hatch	Roth
Chafee	Hatfield	Sasser
Coats	Hollings	Shelby
Cochran	Inouye	Simpson
Coverdell	Johnston	Smith
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thurmond
Danforth	Kerrey	Wallop
Dodd	Lott	

NOT VOTING—8

Baucus	Helms	Murkowski
Exon	Krueger	Specter
Heflin	McCain	

So the amendment (No. 386) was rejected.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent to address the Senate as if in morning business for 7 minutes.

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

POLITICIZATION OF THE FBI

Mr. GRASSLEY. Mr. President, the White House travel office fiasco is an ethical breach of major significance.

Out of the Watergate scandal, this country learned that the White House must scrupulously avoid political interference with the Justice Department.

At her confirmation hearings, Attorney General Reno assured the Senate Judiciary Committee that the Department's independence would be guarded. In the travel scandal, the White House on several occasions deliberately broke the Department's envelope of independence. First, before any audit occurred, a deputy White House counsel who is a former law partner of Hillary Rodham Clinton, called the Deputy Assistant Director of the FBI to voice concerns about the travel office.

Second, FBI personnel met with White House staff before the seven travel office employees were fired.

The third improper contact came when Clinton advisers summoned an FBI official to what they concede was a political damage control strategy session after news of the firings broke. The purpose of this meeting was to find a way to show that the firings were not the result of preplanned cronyism.

At this meeting, the White House blatantly used the FBI for political purposes. It asked the FBI to draft a statement to back up its claim that the employees were fired for possible criminal violations.

Its virtue already seriously compromised by this point, the FBI agreed. Thinking that the statement would be private, the FBI confirmed the pendency of a criminal investigation into the affairs of the travel office.

Normally, the FBI does not confirm the existence of a criminal investigation. Adding insult to injury, the White House used the FBI statement itself as damage control suggesting that suspected criminal activities formed the basis for the firings, I can only hope that the public release of the statement does not compromise the investigation of the travel office.

Mr. President, in the 1970's Congress passed legislation that was designed to ensure the independence of the FBI. The Director was given a fixed term. He could be fired only for cause. The White House's recent actions represent the most serious political interference with the FBI not only since that statute was enacted, but since Richard Nixon asked the FBI to back off from investigating Watergate.

It may be that in Little Rock, the standard practice when there is a political problem is to have a staff member call somebody to fix it. Since Watergate, we do not do business that way in Washington. There are established channels. There are strict separations.

And there are the administrations' own rules.

Monday, Deputy Attorney General nominee Heymann provided a promised written policy on what contact would be allowed to take place between the White House and the Justice Department. The only people at Justice who could be contacted by the White House were the Attorney General, and Deputy and Associate Attorneys General. The ink on that policy was not even dry when the story broke of the Clinton administration's use of the FBI for political purposes. Perhaps we should insist on logging all calls between the White House and the Justice Department. Maybe we should say that only the President among White House officials shall be allowed to contact the Justice Department.

Equally disturbing is the role of Attorney General Reno in all this: No role at all. She was not informed that the White House asked the FBI to review the travel office.

She was not shown the statement that the White House drafted for the FBI. This following on the heels of the White House dealing with the FBI's handling of the Waco incident through Webb Hubbell, not through the Attorney General. At least in that situation, General Reno was allowed to hear one end of a telephone conversation. In this instance, she was completely bypassed. Who is running the Justice Department.

Attorney General Reno should appoint a special counsel to investigate. And the President must make a decision immediately on whether to retain Judge Sessions as head of the FBI. The report issued by the Office of Public Integrity was issued more than 4 months ago. Since then, the administration has been deliberately vague about its plans for Judge Sessions.

As a consequence, the Director and other FBI officials are in the position of acceding to administration requests in hopes of keeping their jobs. This situation makes the FBI at this time exceptionally susceptible to the political interference of the White House.

President Clinton must now make a decision. Either Judge Sessions must be publicly retained or a successor of the highest probity and competence must be named immediately. Perhaps given the administration's sorry record on dealing with the FBI to serve its own selfish purposes, Judge Sessions should be retained to avoid all appearances of improper influence.

Mr. President, President Clinton has been attacked for violating all sorts of campaign promises. The American people may conclude that changing circumstances justify changing position on some of these promises.

But the President's promise that this administration would hold itself to the highest ever ethical standards cannot be violated. The travel scandal shatters this administration's credibility on ethics. Over a period of 70 years, the

FBI has developed a sterling reputation. The use of the FBI as a good housekeeping seal of approval available for political damage control threatens to destroy all that. To paraphrase Judy Garland: President Clinton, I do not think you are in Arkansas any more.

I yield the floor.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DOLE. Mr. President, I wonder if the majority leader would indicate what the program will be for tomorrow and what is the pending amendment.

Mr. MITCHELL. Mr. President, it is my understanding that the pending amendment is the Bingaman amendment. And I ask the Chair if that is correct.

The PRESIDING OFFICER. The majority leader is correct.

Mr. MITCHELL. Mr. President, I believe it is the manager's intention to ask Senator BINGAMAN to lay his amendment aside tomorrow.

Senator DECONCINI has indicated he would be prepared to offer an amendment, the subject of which I believe is lowering the spending caps in the bill.

Senator GRAHAM of Florida has indicated that he has two amendments that he is prepared to offer. I do not know the subject matter of those amendments. I inquire of the manager if he knows the subject matter of these amendments.

Mr. BOREN. Mr. President, the subject matter of one is the publication by States with Federal assistance of informational booklets about elections; the other is States that are certified to mandate the same provisions as the campaign finance reform bill. They would then be certified, and candidates from those States would be qualified for the lowest unit rate for broadcast, as Federal candidates would be qualified under the bill.

That is the subject matter of the two Graham amendments, and then the DeConcini amendment is already described.

Mr. DOLE. Mr. President, I wonder, are we going to rotate amendments or are the Democrats going to have all the amendments? We have today spent 3 hours and 23 minutes on the Kerry amendment, from 3:15 to 6:38; then from about 8 o'clock until after 10, we were on two Graham amendments.

I think there were two Republican amendments in there that were accepted in about 15 or 20 minutes.

Is there going to be one amendment there, or if there is objection to setting aside the Bingaman amendment, will that be disposed of?

Mr. MITCHELL. Mr. President, if I might respond, this is, of course, the fifth day we have been on the bill. Amendments were in order throughout the third, fourth, and fifth days, and any Senator, Republican or Democrat, has had 3 days during which to offer an

amendment. If any have chosen not to do so, for reasons of their own, perhaps it was with respect to the preparation of the amendment.

There has been no desire or action on the part of the managers, to my knowledge, to preclude anyone from offering amendments. Further, I am advised that part of the period of time to which the distinguished Republican leader has just referred, we were asked to protect some Senators who were involved in interviews at the time. We did so, so that there would be no disruption to their schedules.

Mr. DOLE. Could we find out how long the majority leader will be in session tomorrow?

Mr. MITCHELL. Mr. President, over a month ago, I wrote to every Senator and stated that we would attempt to have no votes on Fridays after 3 p.m. I stated publicly on several occasions during this week that I expected that we would be in session with votes on Friday. And my expectation, my hope, is that we could complete action on the three amendments to which I have just referred in a very short period of time.

I believe Senator GRAMM indicated he would want no more than 30 minutes on his amendment, and Senator DECONCINI an hour.

If there are other amendments offered by Republican Senators, we would take a short period of time. My hope is we could complete action well prior to the 3 p.m. time which I previously stated both in writing and orally.

Mr. DOLE. We are not prepared to give any time agreement on any amendment. We are not prepared to set aside the Bingaman amendment. We will object to setting aside the Bingaman amendment.

Mr. MITCHELL. I thank the Senator for notifying me of that. Will the Senator be prepared then to permit the vote on the Bingaman amendment.

Mr. DOLE. No. The problem is, if the Bingaman amendment is accepted or adopted, we have an amendment on China MFN on this side, and we are trying to accommodate the Senator from Oklahoma by not getting into foreign policy amendments on this bill.

And the opponent of the Bingaman amendment, I can find out tomorrow morning what Senator HELMS wishes to do. I know he is not prepared to let the amendment go on a voice vote. There was some effort to work out some accommodation. That has not been done yet.

If that is adopted, then the Senator from Maine [Mr. COHEN] would like to offer an amendment on China MFN.

Mr. MITCHELL. So the Senator from Maine is certainly free to offer an amendment.

May I suggest to my colleague that perhaps after we dispose of the DeConcini amendment—we can get an understanding to dispose of the DeConcini

and Graham amendments. Senator COHEN could offer his amendment, and anybody else could offer their amendments if they want.

That would appear to be the most sufficient use of our time to enable us to complete action on amendments that are relevant to the bill, and in a relatively short period of time, and then proceed to other matters.

May I inquire if that would be agreeable to the distinguished Republican leader?

Mr. DOLE. Let me check. There is a call in to Senator HELMS.

Mr. JEFFORDS addressed the Chair. The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from Vermont.

ORDER OF PROCEDURE

Mr. COATS. I ask unanimous consent to proceed for a period in morning business for not more than 20 minutes.

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

The Senator from Vermont is recognized.

Mr. JEFFORDS. I thank the Chair. (The remarks of Mr. JEFFORDS pertaining to the introduction of S. 1057 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. JEFFORDS. Mr. President, I appreciate the time, I realize it is late.

I yield the floor.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Wellstone amendment No. 368, which was previously agreed to, be further modified by striking lines 6 to 8 on page 4 of the amendment.

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

MORNING BUSINESS

JOAN TURNER, DEDICATED CIVIL SERVANT

Mr. SHELBY. Mr. President, I would like to pay tribute today to an outstanding public servant, Mrs. Joan J. Turner.

Mrs. Turner is retiring in June after a 40-year tenure with the Department of Defense. Mrs. Turner began her professional life with the military in 1953 at the Department of the Navy. Her career has been marked by an exemplary work record—a record that has been recognized time and time again by her employer, as is evidenced by the numerous awards and citations which bear her name. Mrs. Turner is also a recipient of the prestigious Exceptional Civilian Service Award, which, as its name suggests, salutes those individuals whose dedication and commitment make them invaluable in the workplace.

Perhaps one of Mrs. Turner's most outstanding accomplishments is the rank she achieved in the Defense Investigative Service. Joan Turner, as regional director for the Southeast, monitors the security practices and programs of defense contractors in Alabama and eight other Southern States. It is Joan Turner's responsibility to make certain that companies working on classified Government contracts are adhering to the regulations and requirements that protect such highly sensitive information. In this capacity, she has helped numerous companies prevent inadvertent breaches of security. Her work has helped to keep this country a safer place. In addition, as one of the highest ranking women in the Defense Investigative Service, Joan Turner has become a role model for young women who want to build a career with the Government.

Joan Turner's professional accomplishments are many. But her dedication and her commitment can just as easily be found in her roles as wife, mother, and grandmother.

On June 1, 1993, this inspiring career comes to an end. And while this is a sad day for the many people who work with and count on Joan at the Defense Investigative Service and for the many friends she has made during her 40 years with the Government, it is also a happy day. I know I join Joan's friends and family in urging her to sit back, for once, and relax. A lifetime of hard work has its rewards and Joan Turner has certainly earned them.

Mrs. Turner will always have the grateful thanks and recognition of her country for a job well done.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, as anyone even remotely familiar with the U.S. Constitution knows, no President can spend a dime of Federal tax money that has not first been approved by Congress, both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declared that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind

that it was, and is, the Constitutional duty of Congress to control Federal spending. Congress has failed miserably for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at \$4,289,997,991,055.52 as of the close of business on Tuesday, May 25. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is \$16,701.76.

RESPONDING TO EMERGENCY AIRCRAFT LANDING

Mr. MURKOWSKI. Mr. President, today I rise to congratulate and commend the men and women of the Air Force, Navy, Army, and Coast Guard who responded to an in-flight emergency suffered by China Eastern Airlines flight 563—and MD-11 airliner en route to Los Angeles over the North Pacific.

The emergency occurred when the unintended deployment of the aircraft's leading edge wing slats forced the aircraft into a series of three rapid descents. Passengers who were not wearing seatbelts were alternatively slammed against the ceiling and floor as the pilot fought to regain control.

Sadly, 157 passengers were injured in that emergency—two fatally. But the situation would have been far worse if not for the efforts of the Alaskan military and Coast Guard forces who responded with an exceptional degree of skill and resourcefulness in evacuating and caring for the critically wounded.

Imagine yourself as the only doctor on a remote Air Force Base in the Aleutian Islands, being awakened in the middle of the night to be told that a stricken airliner carrying more than 260 people—with many injured—was inbound for an emergency landing. This was the situation faced by Capt. Laura Towne and her staff of three medical technicians on the morning of April 6. It was to turn out to be a very long day.

One of the best descriptions of the events as they unfolded that day on Shemya were contained in an article in the April 23 issue of the *Sourdough Sentinel*. I ask unanimous consent that the article be inserted at this point in my statement.

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

SHEMYA AFB, COMMUNITY RESPONDS TO EMERGENCY AIRCRAFT LANDING

(By TSgt. Kenneth A. Slininger and Sgt. William E. Adams)

(EDITOR'S NOTE: Shemya AFB handled the evacuation of more than 155 injured passengers from a China Eastern airliner that made an emergency landing there April 6. The injured were medevaced by the island community to Elmendorf, where they were received and went onto local hospitals for treatment. While Elmendorf received extensive local media coverage of their part in the

evacuation, Shemya received little. The *Sourdough Sentinel* takes this opportunity to present the story of how a remote base nicknamed "the rock" some 1,500 miles out in the Bering Sea, awoke in the middle of the night to handle a mass casualty situation out of proportion to the small base's facilities. Here is their story.)

The air traffic control tower at Shemya is usually a quiet place around two in the morning. But on April 6, the tower became a hub of what was to become a very busy day.

At 1:46 a.m. MSgt. Paul Arbogast overheard a conversation between Honolulu and Anchorage air controllers about an aircraft with problems. The chief control tower operator said the decision was made quickly to divert the Los Angeles bound MD-11 China Eastern Flight 563 to Shemya. The airliner declared an inflight emergency at 1:57 a.m. and reported 30 injured and one seriously injured of the more than 260 people on board. It was reported the airliner had experienced severe turbulence.

From that point on, the isolated island community near the end of the Aleutian Island chain rapidly moved into action. Sgt. James R. Shelton at the fire department communications center was one of the first to be notified of the emergency by the control tower. He immediately put the fire department into motion by advising his acting fire chief, MSgt. Charles L. Wheeler, who in turn started a recall of all base firefighters.

Within a half an hour, the entire base was mobilized and preparing to receive the injured and passengers, many of whom could speak little or no English. Col. David E. Storey, 673rd Air Base Group commander at Shemya directed notification of Elmendorf's command post and Adak Naval Station for the possibility of medical evacuation and assistance.

The island's only doctor, Capt. Laura Towne, and three medical technicians, TSgt. Rene Lyles and Staff Sergeants Carl Harvey and Donna Nix swiftly set up a small medical aid station equipped with one critical care room and another three rooms for the 30 reported injuries.

When the Chinese airliner was on final approach, air traffic controller TSgt. Mario Ricoma recalled his attempts to get information on the plane's and passenger's condition from the pilot. "He wouldn't give us a real idea of the problem, we tried to find out if the plane was damaged and what type of injuries the passengers had, he just wanted to get on the ground."

Once the airliner safely touched down at 3:29 a.m., Shemya's medical, fire department and security people boarded the plane to evaluate the situation. "It was a shock to see the inside after seeing the outside, it got worse as we went further into the back," said Sgt. Greg Caldwell, the first firefighter to enter the plane.

"The people started to clap and cheer when we first entered the plane," added rescue crew chief Sgt. Robert Shipman.

Doctor Towne started immediate triage of the passengers and had those without injuries removed from the plane, so there was more room to work on the injuries.

The overall evacuation of passengers took three hours due to the severe destruction of the cabin area, closeness of seating and the discovery of five times more injured than first reported. "People were all over the place, in the aisles, wedged between seats. I'd never seen anything like it," said Lyles.

"Everything we had been trained to do (as medical technicians) was put to use in one way or another," said Nix.

Once the injured had been readied for transportation by Shemya's medical team and fire department, they were moved to hangar 6. Owned by Det. 1, 55th Operations Group, an Air Combat Command tenant unit, the hangar was hastily prepared for triaging and passenger comfort.

After finding more than 155 injured people and one fatality, Colonel Storey asked for medical and transportation help from the Adak NAS commander, Capt. E.A. Caldwell, less than a half an hour after the airliner's landing. The Navy dispatched a P-3 aircraft with three doctors, several medical technicians and much needed medical supplies.

Meanwhile, back on the island, Det. 1, 55th OG, commanded by Lt. Col. Richard L. Wilson, was asked to do many tasks. "They quickly improvised, cutting backboards out of plywood and using light stands for I.V. stands. Their quick ideas really made us work well together," said Lt. Col. John G. Bunch, deputy base commander.

By the time the Navy P-3 from Adak landed, just before 7 a.m., all the injured had been removed from the Chinese airliner and triaged. The Navy medical team was immediately put to work augmenting Shemya's small team of medical staff and fire department emergency medical technicians. With most of the base helping and volunteering, in almost every aspect, most of the island's people saw and felt the magnitude of the incident. "I thought it was an exercise until I walked into the hangar," said Sgt. Michelle Medrow from the precision measurement equipment lab.

"A lot of people think self-aid and buddy care are a waste of time, but after 16 years of military service I'm glad I learned it," commented MSgt. Joe Peace, chief of the test measurement diagnostic equipment section. "It felt real good to be able to help and use what I learned."

The fuels people safely and expeditiously provided services to the Navy, Coast Guard and Air Force aircraft, and helped with patients whenever possible. "We had fuel trucks waiting for each aircraft that came in. Everything was going like clockwork," said fuels NCOIC TSgt. Bob Fruth.

"It looked like a MASH unit inside the hangar. I gained a lot of respect for Dr. Towne, the 'med techs' and fire department," said TSgt. Todd Miller, base supply NCOIC.

SSgt. Steve Beistline, NCOIC of equipment management said everyone just jumped in and did what needed to be done. SSgt. Walter Edwards Jr., added "I was impressed with everyone's attitude of 'what can I do to help?'"

While all the injured were being tended to, the morale and welfare people transformed the gym into a possible 'mini hotel' to accommodate anyone who would have to stay overnight. Communications people set up extra phone lines so the passengers could call their families and loved ones. "After we set up the lines it was difficult (making calls), but after we talked to the Alascom operators and explained the problems they helped us out immediately," said SSgt. Johnny R. Batton, NCOIC, outside plant telephone maintenance.

MWR people and volunteers helped the dining facility staff. "We had to prepare extra food and send more than 350 box lunches to the triage hangar. Without the MWR and volunteers that helped us, we couldn't have had things go so smooth," said TSgt. Earnest Gatewood, shift supervisor.

Simple support like a smile or cup of juice were invaluable. "They were so polite and

nice" said MSgt. Sandra Courshon, acting chief of supply. "I was especially glad when one of the ladies spoke the words 'American Air Force so kind' I could have helped for another 24 hours."

The first aircraft to leave with patients was a Det. 1, 55th OG RC-135 assigned to Offut AFB, Neb. It left the island at 8:24 a.m. with 27 critically injured patients. On board were three Det. 1, EMT qualified crew members, two firefighter EMTs, three Adak medical people, and a base switchboard operator to help with the injured. The crew provided continuous care of the patients on their 1,500 mile journey to Elmendorf.

Additionally, a Coast Guard C-130 from Sacramento, temporarily on station, and a Navy C-130 from Adak also took patients to Elmendorf. Each carried some of Shemya's people and Adak's medical people. The last plane to leave Shemya with patients was a C-141 out of McChord AFB, Wash., which was sent from Elmendorf earlier that day.

Once at Elmendorf, the patients were transferred to the base hospital and hospitals in Anchorage. No additional fatalities occurred en route.

The whole evacuation took more than 12 hours after flight 583 had landed and 157 patients were triaged. "We had tremendous support from everybody, a one-hundred percent effort from the whole base," said Bunch.

Mr. MURKOWSKI. Mr. President, literally hundreds of men and women participated in the efforts described in the article I just inserted in the RECORD. If they had not responded so quickly and professionally, many more of the critically injured might have died.

While I cannot give due recognition to the hundreds of individuals who participated in this effort, I would like to recognize and commend the units that made significant contributions:

From Shemya Air Force Base, recently renamed Eareckson Air Force Station in the Aleutians: 673d Air Base Group, and 55th Strategic Wing.

From Elmendorf Air Force Base, AK: Headquarters, 11th Air Force, 3d Wing Staff, 3d Operations Group, 3d Logistics Group, 3d Support Group, 3d Medical Center, and 11th Air Control Wing.

From Adak Naval Air Station, AK: Branch hospital, Adak Operations Department, and Patrol Squadron 40, on rotation from Moffett Field NAS, CA.

From McChord Air Force Base, WA: 62d Airlift Wing.

From Fort Richardson, AK: 106th Military Intelligence Battalion.

And, of course, from Coast Guard elements in Alaska: 17th Coast Guard District Command Center, Juneau, Coast Guard Air Station, Kodiak.

Mr. President, all of those who serve in these units played a role in the response to this emergency. They each deserve our thanks for a job well done.

CHILDREN WITH DISABILITIES AND FEDERAL SCHOOL MEAL PROGRAMS

Mr. DOLE. Mr. President, 2 years ago this month I spoke on the Senate floor about the difficulties many children with disabilities face in participating

in our school meal programs. Fortunately, somebody was listening. Today there is a renewed effort underway around the country to make the national school lunch and breakfast programs accessible to children who, because of a disability or chronic illness, are unable to eat what is on the regular menu. I want to take this opportunity to highlight some of the activities that are going on and some additional steps that should be taken.

In my earlier remarks, I noted that while many schools have done a great job of accommodating children with disabilities, others did not know about or failed to comply with Federal requirements on modifying meals. Examples of such modifications include substituting foods for a child with diabetes, or modifying a food's texture for a child with cerebral palsy who has trouble chewing and swallowing. Denying children with disabilities access to modified meals can jeopardize their health, separate them from their peers, and, if they are low-income, place financial burdens on their families.

In response to my comments, the Food and Nutrition Service of the U.S. Department of Agriculture, which administers school meal programs at the Federal level, undertook a number of steps to increase awareness of these requirements. They revised the model letter sent to households at the beginning of the school year to include information on the availability of modified meals for children with disabilities. They also contacted States to reiterate their responsibility to ensure that schools receive the guidance and training necessary to accommodate these children.

As a result, there have been numerous workshops planned or held around the country at the regional, State, and local levels focusing on adapting school meals for special needs children. I was privileged to participate in a national workshop on feeding special needs children sponsored in Kansas City last fall by the National Food Service Management Institute, which I want to commend for taking such an active role on this issue. Efforts are being made in States and communities to link school food service operators with other service providers dealing with children with disabilities. Finally, FNS has established a best-practice award for accommodating special needs children and at the regional level is helping support the creation of state-of-the-art training materials for school personnel.

I deeply appreciated the previous administration's responsiveness to my concerns about the accessibility of school meals, and I am pleased that Secretary Espy has stated that he also considers this issue a priority. The reauthorization of the child nutrition programs in 1994 will provide an opportunity to see how much progress has

been made in serving these children and to determine how best we can help school food service workers get the tools they require to provide the necessary accommodations. In the meantime, I urge USDA to move as quickly as possible to issue its updated policy instruction and guidance on serving special-needs children. School food service employees need this information to help ensure that they are in compliance with Federal disability laws and child nutrition program regulations. I also encourage USDA to make sure that the training materials it is involved in producing are made as widely available as possible.

Mr. President, Congress established the National School Lunch Program to serve the nutrition needs of all the Nation's schoolchildren. We are not truly fulfilling this goal unless children with disabilities, too, can participate.

CREATING A WINNING STRATEGY FOR THE WAR ON DRUGS

Mr. MCCAIN. Mr. President, it is all too easy to talk of a war on drugs, involve our military in an antidrug program, pour billions in to the effort, and then disguise a lack of success with reassuring rhetoric. Wars, however, are not political games, they are not exercises in political imagery, and they cannot be won with rhetoric or false measures of success.

I believe that there is a good reason to talk about a war on drugs. It is our children, our disadvantaged, our cities, and our way of life. It is the damage the drug trade does to every American, and to his or her hopes and security. It is the damage that our drug trade does to other nations, particularly Latin America, Asia, and the Middle East.

We cannot stand by and accept defeat or failure. We cannot afford to throw words and money at the problem and simply walk away. This is why I believe we must bring a new strategy and a new honesty to the war on drugs. It is why I believe we must honestly acknowledge that our current effort is not working, wastes taxpayer dollars, and fails to concentrate its efforts and resources where there is a real threat.

I have had my staff investigating the current trends in the war on drugs for over a year. The result has been deeply disturbing. Time and again, it has been clear that no real effort has taken place to gather critical data, to verify the data now used, or to establish overall priorities. Time and again, people have talked about success when, in fact, the cumulative effect of all efforts to seize and interdict smuggled drugs have not reduced supply on the street, or led to higher drug prices.

USING FALSE MEASURE OF SUCCESS

The measures of success that are being made public have virtually no practical meaning. For example efforts to assist seizures are measured in

terms of the amount of drugs seized, with no effort to relate such data to the percentage of total drugs that get through, or to whether the seizures have any meaningful impact on the main smuggling networks.

Constant reference is made to the street price of drugs. This seems to be impressive to those in the media who have never bothered to consider the meaning of such data, but law enforcement officers who exaggerate the importance of their seizures by describing the value of their seizures in street prices are indulging in little more than publicity stunts. Smugglers do not pay street prices. They do not measure losses in street prices. In most cases, the major smugglers have paid just a small fraction of the so-called street price for the drugs that are seized, and see such losses as a minor cost of doing business.

Another equally meaningless measure of capability is to report the number of detections, arrests, or intercepts, with no attempt to relate this to the number of successful crossings or actual convictions, or whether such actions have any real effect on the flow of drugs.

Finally, we see references to surveys that indicate a decline in the number of users, and a growing opposition to the use of drugs, but that fail to define the validity of the questions and sampling method, the size of the sample involved, and other key factors that define whether the results are accurate and representative of the problem.

We are, effectively, using only those measures which imply success. Rather than measure the actual cost-effectiveness of our actions, we are using rhetoric and feel-good briefings and analysis. The end result is a war on drugs which bears a disturbing resemblance to the pacification campaign in Vietnam, and to the "Southeast Asia Data Base" the Department used during that conflict. We are winning a war on paper that we are losing on the streets.

SETTING MEANINGFUL GOALS FOR THE USE OF THE MILITARY

These problems are particularly apparent in our use of the military and technology to halt the flow of drugs into the United States. We need to re-examine our current objectives, the methods we use, and our measures of success.

We cannot win a war on drugs if our efforts do not have a material effect on both the supply and demand sides of the equation—on the flow of drugs into the United States, the price of drugs, and the key cartels producing and smuggling them. If our military efforts do not contribute to some coordinated plan toward this end, with tangible measures of success, they are a failure. We simply are not focused on the real threat: smuggling across the land portions of the southwest border.

Let me put this threat in its proper perspective. In a recent letter I re-

ceived from the Acting Drug Coordinator of the Department of Defense, I was informed that, "70 percent of the South American cocaine entering the U.S. comes across the southwest border," and that "the level of smuggling across the Southwest border by general aviation aircraft is considered low and is not expected to significantly increase in the near future."

The staffs of the El Paso Intelligence Center [EPIC] and Joint Task Force 6 [JTF-6] confirm the estimate of the Acting Drug Coordinator of the Department of Defense that an extremely high percentage of this traffic moves across the Mexican border at regular points of entry by commercial truck, trailer, and privately owned vehicle.

Most of the current military and law enforcement effort has no real impact on this aspect of the flow of drugs into the United States. We have had various estimates of how much of the cocaine traffic crosses our borders without detection, but most range from 90 to 95 percent, and virtually all experts seem to agree that the loss rate is so low that smugglers see it as little more than normal overhead. In fact, this interception rate seems to produce a lower loss rate to the smuggler than the shoplifting losses affecting many downtown retail stores.

Military and law enforcement activities do seem to be somewhat more successful in reducing the flow of drugs into Mexico from South America, and may be slightly more effective in trying to reduce the amount of drugs grown in Latin America. The data we have been provided on such efforts, however, are impressionistic and contradictory and people working in the field seem significantly less optimistic than people working here in Washington. This is another area where rigorous independent analysis and auditing is necessary to determine the true state of effectiveness.

DRIVING DRUGS ACROSS THE SOUTHWEST BORDERS

There are also growing indications that the net effect of the military war on drugs to date may well have been to shift the flow of drugs to channel even more narcotics across the land borders of Arizona, California, New Mexico, and Texas.

The U.S. Navy, other military services, Coast Guard, and Customs have been unable to address the problem of container vessels—which now enter the United States without any effective search procedures. At the same time, they do seem to have reduced the flow of small craft from South America and through the Caribbean. The same is true, to a lesser extent, of small craft movement by sea through the Pacific.

Unfortunately, this military activity has not reduced the flow of drugs into the United States, it has only moved it. While the data involved are ambiguous, the Acting Drug Coordinator of

the Department of Defense stated in his letter to me that, " * * * the increased aerial and maritime pressure applied by law enforcement in the Caribbean, with assistance provided by military assets, was perceived to be responsible for an expansion in the usage of drug smuggling routes across the Southwest border. * * * " In effect, we have spent a great deal to make drug smugglers change their behavior, rather than reduce their success.

The air interdiction effort has had similar problems. It has had no effect on commercial aircraft or large business jets, and the Department of Defense still believes that the law enforcement community currently assess the noncommercial air and maritime threat to be increasing. At the same time, the air interdiction effort has acted to channel smugglers into using small aircraft to land at various points in Mexico and into supplying Mexican smuggling networks that cross the land borders.

Ironically, many DEA officials believe that the air surveillance effort has actually made the major drug smugglers more efficient. Not overflying U.S. borders has allowed them to use more payload for drugs because they do not need to carry fuel on board, has reduced aircraft losses due to interdiction and exhaustion, and has reduced the loss rate of pilots.

It is difficult to be certain about these trends because neither the Office of National Drug Control Policy [ONDCP] nor the Office of the Secretary of Defense seems to have analyzed such trends in any systematic or quantifiable form, and no Federal agency or organization seems to have a meaningful analytic capability to look at the overall effects of its efforts.

Each of the individual law enforcement agencies, joint task forces, and commands seems to be left to carry out its mission of supporting individual law enforcement efforts in isolation. As a result, insufficient effort seems to be made to seriously and objectively study the extent to which we are really reducing cultivation in Latin America, the flow of drugs into Mexico, or the overall patterns of drug movement and extent to which the flow is being channeled across the Southwest border.

We have been unable to even get answers to relatively simple questions about key parts of the war on drugs. The Air Force, for example, is now supporting the U.S. Customs aerostat effort. No one in the Department, however, is charged with looking at what the aerostats actually accomplish. It is clear that many of the aerostats are down so often that they leave prolonged and predictable gaps in their coverage. It is clear that all of the aerostats are often down for several days at a time, that these down times are often announced over local radio, that they can easily be seen from the

ground, and that active aerostats can be easily detected with commercial radar detectors. Further, it is clear from discussions at EPIC and JTF-6 that the aerostats in Arizona have significant and well-known low altitude gaps in their coverage.

The tradeoffs between these disadvantages and the potential advantages gained from deterring some small aircraft and detecting others as they land in Mexico never seems to have been examined in any analytic way. There also seems to be insufficient effort to develop an overall strategy of air interdiction between the use of aircraft and aerostats or to examine the tradeoffs between funding the aerostats and funding improved coverage of the land borders.

In fact, ONDCP seems to lack the ability to show whether or not its overall effort, regardless of what it may do for the rest of the country, has acted to increase the net threat to the State of Arizona.

PUTTING RESOURCES WHERE THE PROBLEM IS

We cannot go on this way. We need to put our resources where the problem is—particularly when we use high-cost assets like those operated by the military.

There may be no effective solution to the use of the military in dealing with key threats—in which case, we should reprogram a major amount of the money now spent to deal with domestic law enforcement and drug treatment within the United States. It is striking, however, that JTF-6 seems to have had remarkably little support in dealing with the land border issue.

Last year, I found that the Department of Defense had made decisions which sharply reduced the Department's ability to use many of its surveillance assets to deal with land threats. It was only after pressure on the Department and legislation in last year's Defense Authorization Act that this situation was changed.

Major problems, however, still remain. The Department has never presented a clear plan to the Congress to make use of its capabilities to secure the land borders. It is still constraining JTF-6 with unrealistic rules of engagement, and its technology effort ignores the most serious single method of cocaine smuggling.

To begin with, it is clear that a serious and coordinated effort needs to be made to examine what can be done to improve surveillance and interdiction of the border outside legal points of entry. It is not clear whether some kind of fence, sensor system, improved check point system, or improved rear area surveillance is needed. What is clear is that simply providing military support to meet the uncoordinated efforts of individual law enforcement agencies is not cost-effective.

Second, a comprehensive reexamination is needed of the present policies,

rules, law, and regulations affecting JTF-6. This examination should involve:

The lack of any effective cooperation between JTF-6 and Mexican law enforcement officials.

An all-source review of JTF-6's access to intelligence sensor systems and ability to use them.

Immediate reevaluation of the present rules that (a) JTF-6 can only assist in efforts where there is a detection of the actual movement of drugs across the border, (b) the present constraint that monitoring and communications of movement can only be executed if activity occurs within 25 miles of the border (land) and without 25 miles of and outside the United States (air), and (c) implementation options to broaden the use of air/ground, and water operations throughout the southwest border States without infringing on the limits placed by *posse comitas*.

Third, a comprehensive and immediate reexamination is needed of the southwest border technology program to determine why it does not contain a significant effort to develop technologies like high energy x rays and pulsed fast neutron scanning that can aid in the nonintrusive search of trucks, trailers, and privately owned vehicles at crossing points and check points.

Experts seem to agree that the inability to rapidly search commercial and private vehicles for drugs, or to search even 5 percent of the vehicles involved, makes other land and air interdiction efforts almost pointless. At this point, however, efforts to use nonintrusive search technology are not properly integrated into the technology plan.

ARPA is some 6 months behind schedule in funding key parts of the development effort, and no effort has been made to use the test facility being built at Tacoma to examine the search of tractor trailers and privately owned vehicles in addition to the containers used on ships.

Fourth, a comprehensive reexamination of the Department's budget priorities is needed to examine the weight of effort assigned to the southwest border. It is axiomatic that military resources should be put where the threat is. Unfortunately, the current allocation of resources seems to be based on putting them where the forces are. This seems to be another major factor in contributing to the funnel effect that is causing increased drug traffic across the Southwest border.

I believe that ONDCP needs to join the Department of Defense in this effort, and broaden it to include the Federal law enforcement agencies and intelligence effort as well. We need to firmly recognize that we accomplish nothing if we can only deter or arrest small-scale smuggling efforts; if we

cannot solve the problems posed by container vessels, commercial aircraft, commercial and privately owned vehicles; and if we cannot bring a halt to the near sanctuary status Mexico offers smugglers in the Southwest border area.

SEEKING VICTORY, NOT CLAIMS OF VICTORY

I have written the Director of National Drug Control Policy and the Secretary of Defense, asking them for a formal response to the issues I have just raised, and with specific proposals to reshape our technology effort to provide meaningful coverage of the Southwest border. I sincerely hope that the result will be a recognition that we have institutionalized the wrong approach to the problem, put resources into the wrong mission priorities, and used the wrong measures of effectiveness.

Ideally, the result will be new plans of action and a new honesty about the effectiveness of what we have done to date. If not, I ask all of my colleagues to join me in an effort to get at the real facts, challenge the prevailing approach, and put us on the right track. Anyone can claim victory and do so at the taxpayer's expense. We need real victories that protect both our citizens and the taxpayer's dollar.

Mr. President, I respectfully request that the letters I have sent to the Director of ONDCP and Secretary Aspin be entered into the RECORD at the end of my remarks.

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

U.S. SENATE,
Washington, DC, May 5, 1993.

Hon. LES ASPIN,
Secretary of Defense, The Pentagon, Washington, DC.

DEAR SECRETARY ASPIN: As you begin to conduct your "bottom up" review of our future force posture and strategic needs, I believe that it is imperative to consider a fundamentally different approach to the use of the military in the war on drugs, with the goal of fully integrating the military effort into a national effort which produces meaningful results in terms of reduced supply on the street, and higher drug prices.

As you know, the amount the Department of Defense is expending on the war on drugs has grown to over one billion dollars, largely as a result of reallocating military capabilities and resources to support the demands of law enforcement agencies. Unfortunately, there has not been any meaningful attempt to measure the effectiveness of the military in the process. At best, there are anecdotal statements or broad surveys from federal, state, and local law enforcement agencies that indicate they find the military support useful in meeting the needs of dozens of uncoordinated law enforcement efforts.

Some might argue that there are quantifiable measures of effectiveness, but these have virtually no practical meaning. Efforts to assist seizures are measured in terms of the amount of drugs seized, with no effort to relate such data to impacts on street supply or the total flow of drugs; to the street price of drugs, which is often an order of magnitude higher than the price to the smuggler,

or to the number of detections or intercepts, with no attempt to relate this to the estimated number of successful crossings or actual convictions.

We are, effectively, using only those measures which imply success. Rather than measure the actual cost-effectiveness of our actions, we are using rhetoric and "feel good" briefings and analysis. The end result is a war on drugs which bears a disturbing resemblance to the pacification campaign in Vietnam, and to the "Southeast Asia Data Base" the Department used during that conflict. We are winning the war on paper that we are losing on the streets.

I do not believe that the Department's efforts are any more uncoordinated, or that the reporting is any more unrealistic, than the efforts of ONDCP. I would be the first to admit that many members of Congress make claims about the success of programs they have sponsored that cannot be sustained by the facts. However, I believe that you have a unique opportunity to redirect the Department's efforts, to give them new direction and methods of measuring their effectiveness, and to resolve a problem that threatens my state, the Southwest border area, and the nation.

SETTING MEANINGFUL GOALS FOR THE USE OF THE MILITARY

The first step in restructuring the Department of Defense effort in the war on drugs is to reexamine the objective, the methods used, and the measures of success.

We cannot "win" a war on drugs if our efforts do not have a material effect on both the supply and demand sides of the equation—on the flow of drugs into the U.S., the price of drugs, and the key cartels producing and smuggling them. If our military efforts do not contribute to some coordinated plan towards this end, with tangible measures of success, they are a failure.

It can be argued that some efforts are valuable regardless of whether we are winning or losing because they deter smuggling and an even greater supply of cheap drugs on the street. Even these arguments, however, must be related to an overall campaign plan, and detailed comparisons of cost-effectiveness.

We do not come close to meeting any of these tests today.

DEALING WITH THE REAL PROBLEMS

The second step in restructuring the Department of Defense effort in the war on drugs is to honestly address the fact that most of this effort has no real impact on the key targets that dominate the flow of drugs into the United States.

I and my staff have been repeatedly informed by the El Paso Intelligence Center, Customs, and the various Joint Task Forces that the primary methods of cocaine and heroin smuggling are container vessels and vehicle traffic across the southwest border—most of which consist of commercial trucks and privately owned vehicles. In fact, I have received letters from the Department stating that more than 70% of the cocaine entering into the U.S. moves by land across the southwestern border.

At present, the military effort does virtually nothing to deal with these threats—container vessels, vehicles crossing at legal points of entry, or commercial vehicles. These threats, which dominate the drug trade, are now being addressed by Customs, DEA, and the Border Patrol.

The most the military can do is to try to reduce the amount of drugs grown in Latin America—an effort which so far seems to be doing little more than shift areas of cultiva-

tion; help Mexico deal with transshipments from South America, and reduce the flow of small ships and private aircraft into the U.S. If we cannot use the military to attack the main sources of drugs, then we will inevitably fail.

DRIVING DRUGS ACROSS THE SOUTHWEST BORDERS

The third aspect is to recognize that the net effect of the Department's efforts to date may well have been to shift the flow of drugs to channel even more narcotics across the land borders of Arizona, California, New Mexico, and Texas.

The U.S. Navy and other military services may have been unable to address the problem of container vessels, but they do seem to have reduced the flow of small craft from South America and through the Caribbean. The same is true, to a lesser extent, of movement by sea through the Pacific. While the data involved are ambiguous, part of this flow seems to have been rechanneled to move through Mexico, and across the land borders.

Similarly, the air interdiction effort also acts to channel smugglers into using small aircraft to land at various points in Mexico and into supplying Mexican smuggling networks that cross the land borders. Ironically, many DEA officials believe that this has made the smugglers more efficient. Not overflying U.S. borders has allowed them to use more payload for drugs because they do not need to carry fuel on board, has reduced aircraft losses due to interdiction and exhaustion, and has reduced the loss rate of pilots.

We have never had a satisfactory answer to our questions on this issue from either OSD or ONDCP, but the Department seems to have no overall analytic capability to look at these effects of its efforts. Each of the individual Joint Task Forces and commands seems to be left to carry out its mission of supporting individual law enforcement efforts in isolation. As a result, no effort is being made to seriously study the extent to which the Department is really affecting cultivation in Latin America, the flow of drugs into Mexico, or the overall patterns of drug movement and extent to which the flow is being channeled across the southwest border.

We have been unable to even get answers to relatively simple questions about key parts of this effort. The Air Force, for example, is now supporting the U.S. Customs aerostat effort. No one in the Department, however, is charged with looking at what the aerostats actually accomplish. It is clear that many of the aerostats are down so often that they leave prolonged and predictable gaps in their coverage. It is clear that all of the aerostats are often down for several days at a time, that these down times are often announced over local radio, that they can easily be seen from the ground, and that active aerostats can be easily detected with commercial radar detectors. Further, it is clear from discussions at EPIC and JTF-6 that the aerostats in Arizona have significant and well known low altitude gaps in their coverage.

The trade-offs between these disadvantages and the potential advantages gained from deterring some small aircraft and detecting others as they land in Mexico never seem to have been examined in any analytic way. There also seems to be no effort to develop an overall strategy of air interdiction between the use of aircraft and aerostats or to examine the trade-offs between funding the aerostats and funding improved coverage of the land borders.

In fact, the Department seems to lack the ability to show whether or not its overall ef-

fort, regardless of what it may do for the rest of the country, has acted to increase the net threat to the state of Arizona.

PUTTING RESOURCES WHERE THE PROBLEM IS

Fourth, we need to put our resources where the problem is. There may be no effective solution to the use of the military in dealing with key threats—in which case, we should reprogram a major amount of the money now spent to deal with domestic law enforcement and drug treatment within the U.S. It is striking, however, that JTF-6 seems to have had remarkably little support in dealing with the land border issue.

Last year, I found that the Department had made decisions which sharply reduced the Department's ability to use many of its surveillance assets to deal with land threats. It was only after pressure on the Department and legislation in last year's Defense Authorization Act that this situation was changed.

Major problems, however, still remain. The Department has never presented a clear plan to the Congress to make use of its capabilities to secure the land borders. It is still constraining JTF-6 with unrealistic rules of engagement, and its technology effort ignores the most serious single method of cocaine smuggling.

To begin with, it is clear that a serious and coordinated effort needs to be made to examine what can be done to improve surveillance and interdiction of the border outside legal points of entry. It is not clear whether some kind of fence, sensor system, improved check point system, or improved rear area surveillance is needed. What is clear is that simply providing military support to meet the uncoordinated efforts of individual law enforcement agencies is not cost-effective.

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Advanced Research Projects Agency is some six months behind schedule in funding

key parts of the development effort, and no effort has been made to use the test facility being built at Tacoma to examine the search of tractor trailers and privately owned vehicles in addition to the containers used on ships.

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SEEKING VICTORY, NOT CLAIMS OF VICTORY

I apologize for the unusual length and detail in this letter. However, we both know how easy it is to give our military the wrong mission and the wrong measures of effectiveness, and how costly the consequences can be. I believe that we have institutionalized the wrong approach to the problem, the wrong mission, and the wrong measures of effectiveness, and I hope that you will make this the subject of an independent investigation that can get at the facts, challenge the prevailing approach, and put us on the right track.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

U.S. SENATE,
Washington, DC, May 12, 1993.

Dr. LEE BROWN,
Director, Office of National Drug Control Policy,
Executive Office of the President,
Washington, DC.

DEAR DR. BROWN: As I stated in my letter of May 5, 1993, I am very concerned about the continual flow of illicit drugs across the Southwest border of the United States. Drug traffickers continue to take advantage of a wide variety of smuggling opportunities afforded by the extended open land borders and coastal areas.

The yearly traffic of millions of legitimate U.S. commercial and passenger entries along our Southwest border makes it too easy for drug traffickers to blend into the flow. Sorting illegal aliens, smugglers, drugs and other illegal material from the legitimate traffic and commerce entering the U.S. across the Southwest border is one of the more difficult problems facing us today. This is why I believe that an urgent effort is needed to use advanced technology to address these problems.

The core of the necessary effort already exists within the Office of National Drug Control Policy (ONDCP). The infrastructure program approach presented in the ONDCP R&D Blueprint sent to Congress last August provides a major step toward evaluating advanced technology in testbed facilities open to the entire federal, state, and local counterdrug R&D communities. The testbeds will be used to evaluate new technologies and prototype systems to detect contraband hidden in large cargo containers and vehicles. The locations and environments selected for placing the testbeds should closely approximate the operational needs of the law enforcement community for counterdrug operations.

Recently, the Department of Defense, as part of the national counterdrug infrastructure program, opened a Nonintrusive Cargo Inspection Technology Testbed at Tacoma, Washington. This testbed will be used to evaluate new technologies and prototype

systems to detect contraband hidden in large cargo containers and vehicles. A nonintrusive testbed configured with advanced inspection and intelligent prescreening technology along the Southwest border would be a positive step toward improving our ability to more effectively inspect for drugs entering through my region of the country.

Technology could help our inspection personnel in several areas.

Each year our ports and airports are used by thousands of aircraft and vessels and on the order of a hundred million cars, trucks and containers. Progress is needed to intercept shipments of illegal drugs before they reach our streets—without impeding the flow of legitimate commerce. Operational testbed facilities are needed to evaluate prototype technologies before committing to the development or purchase of equipment—especially in quantity.

More effective deterrents are needed along our largely open land borders. The vast majority of the U.S./Mexican border is open; along most of the border markers indicate only the international boundary. The relative ease with which trafficking organizations can bring their drugs into the Southwest is challenged only by the weather and terrain. The solution lies somewhere between a 200 mile fence to a practical electronic border control system.

Information sharing and timely access to central databases among law enforcement agencies needs improvement. Information management projects should be done to enhance information exchange procedures and to provide the operating law enforcement officials with as much information from available databases as possible.

Our law enforcement agents need to be supported by better training and operations support. While the military invests in research to improve their effectiveness, we need to invest to improve our effectiveness along the borders to defeat drug traffickers.

It is my sincere hope that you share my concerns, especially when it comes to the Southwest border, and will take immediate steps to address these issues. I look forward to hearing your views on each of these issues, and I can assure you that I stand ready to provide any support I can.

You have a tremendous challenge facing you, but I am confident that your eminent qualifications and past successes in Atlanta, Houston, and New York afforded you unique insights and skills especially suited for the tasks at hand.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

U.S. SENATE,
Washington, DC, May 12, 1993.

Hon. LES ASPIN,
Secretary of Defense, Department of Defense,
The Pentagon, Washington, DC.

DEAR SECRETARY ASPIN: As I stated in my letter of May 5, 1993, I am very concerned about the continual flow of illicit drugs across the Southwest border of the United States. Drug traffickers continue to take advantage of a wide variety of smuggling opportunities afforded by the extended open land borders and coastal areas.

The yearly traffic of millions of legitimate U.S. commercial and passenger entries along our Southwest border makes it too easy for drug traffickers to blend into the flow. Sorting illegal aliens, smugglers, drugs and other illegal material from the legitimate traffic and commerce entering the U.S. across the Southwest border is one of the more difficult

problems facing us today. This is why I believe that an urgent effort is needed to use advanced technology to address these problems.

The core of the necessary technical effort already exists within the Office of National Drug Control Policy (ONDCP), several of which are being funded and managed by ARPA and the Department of Defense. The infrastructure program approach presented in the ONDCP R&D Blueprint sent to Congress last August provides a major step toward evaluating advanced technology in testbed facilities open to the entire federal, state, and local counterdrug R&D communities. The testbeds will be used to evaluate new technologies and prototype systems to detect contraband hidden in large cargo containers and vehicles. The locations and environments selected for placing the testbeds should closely approximate the operational needs of the law enforcement community for counterdrug operations.

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The kind of technology being developed by ARPA and the Department of Defense could help our inspection personnel in several areas.

Each year our ports and airports are used by thousands of aircraft and vessels and on the order of a hundred million cars, trucks and containers. Progress is needed to intercept shipments of illegal drugs before they reach our streets—without impeding the flow of legitimate commerce. Operational testbed facilities are needed to evaluate prototype technologies before committing to the development or purchase of equipment—especially in quantity.

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You have a tremendous challenge facing you, but I am confident that your eminent qualifications and past successes in Atlanta, Houston, and New York have afforded you unique insights and skills especially suited for the tasks at hand.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

U.S. SENATE,
Washington, DC, May 5, 1993.

Dr. LEE BROWN,
Director, Office of National Drug Control Policy,
Executive Office of the President,
Washington, DC.

DEAR DR. BROWN: I believe that the time has come for a fundamentally different and more realistic approach to the war on drugs. One that emphasizes integration of the military and law enforcement effort, detailed analysis of the overall and individual effectiveness of given interdiction and seizure activities, rigorous cost-effectiveness analysis and budget trade-offs to reinforce high priority efforts, and the willingness to honestly distinguish between failure and success.

I have had my staff investigating the current trends in the war on drugs for over a year. The result has been deeply disturbing. Time and again, it has been clear that no real effort has taken place to gather critical data, to verify the data now used, or to establish overall priorities. Time and again, people have talked about success when the cumulative activity of all efforts to seize and interdict smuggled drugs have had no meaningful results in terms of reduced supply on the street, and higher drug prices.

Some might argue that there are quantifiable measures of effectiveness, but these have virtually no practical meaning. For example, efforts to assist seizures are measured in terms of the amount of drugs seized, with no effort to relate such data to impacts on street supply or the total flow of drugs; to the street price of drugs, which is often an order of magnitude higher than the price to the smuggler, or to the number of detections or intercepts, with no attempt to relate this to the estimated number of successful crossings or actual convictions.

We are, effectively, using only those measures which imply success. Rather than measure the actual cost-effectiveness of our actions, we are using rhetoric and "feel good" briefings and analysis. The end result is a war on drugs which bears a disturbing resemblance to the pacification campaign in Vietnam, and to the "Southeast Asia Data Base" the Department used during that conflict. We are winning a war on paper that we are losing on the streets.

I would be the first to admit that members of Congress make claims about the success of programs they have sponsored that cannot be sustained by the facts. However, I believe that you have a unique opportunity to redirect the ONDCP's efforts, to give them new direction and methods of measuring their effectiveness, and to resolve a problem that threatens my state, the Southwest border area, and the nation.

SETTING MEANINGFUL GOALS FOR THE USE OF THE MILITARY

The first step in restructuring the ONDCP effort in the war on drugs is to reexamine the objective, the methods used, and the measures of success.

We cannot "win" a war on drugs if our efforts do not have a material effect on both the supply and demand sides of the equation—on the flow of drugs into the U.S., the price of drugs, and the key cartels producing

and smuggling them. If our military efforts do not contribute to some coordinated plan towards this end, with tangible measures of success, they are a failure.

It can be argued that some efforts are valuable regardless of whether we are winning or losing because they deter smuggling and an even greater supply of cheap drugs on the street. Even these arguments, however, must be related to an overall campaign plan, and detailed comparisons of cost-effectiveness.

We do not come close to meeting any of these tests today.

DEALING WITH THE REAL PROBLEMS

The second step in restructuring the ONDCP effort in the war on drugs is to honestly address the fact that most of the current military and law enforcement effort has no real impact on the key targets that dominate the flow of drugs into the United States.

I and my staff have been repeatedly informed by EPIC, Customs, and the various Joint Task Forces that the primary methods of cocaine and heroin smuggling are container vessels and vehicle traffic across the southwest border—most of which consists of commercial trucks and privately owned vehicles. In fact, I have received letters from the Department stating that more than 70% of the cocaine entering into the U.S. moves by land across the southwestern border.

At present, the military and law enforcement can do little to deal with these threats—container vessels, vehicles crossing at legal points of entry, or commercial vehicles. We have had various estimates of how much of the cocaine traffic crosses our borders without detection, but most range from 90% to 95%, and virtually all experts seem to agree that the loss rate is so low that smugglers see it as little more than normal overhead. (In fact, this interception rate produces a lower loss rate to the smuggler lower than the shoplifting losses affecting many downtown retail stores.)

Military and law enforcement activities do seem to be somewhat more successful in reducing the flow of drugs into Mexico from South America, and may be slightly more effective in trying to reduce the amount of drugs grown in Latin America. The data we have been provided on such, however, are impressionistic and contradictory and people working in the field seem significantly less optimistic than people working here in Washington. This is another area where rigorous independent analysis and auditing is necessary to determine the true state of effectiveness.

DRIVING DRUGS ACROSS THE SOUTHWEST BORDERS

The third step is to recognize that the net effect of the war on drugs to date may well have been to shift the flow of drugs to channel even more narcotics across the land borders of Arizona, California, New Mexico, and Texas.

The U.S. Navy, other military services, Coast Guard, and Customs may have been unable to address the problem of container vessels, but they do seem to have reduced the flow of small craft from South America and through the Caribbean. The same is true, to a lesser extent, of movement by sea through the Pacific. While the data involved are ambiguous, part of this flow seems to have been rechanneled to move through Mexico, and across the land borders.

Similarly, the air interdiction effort also acts to channel smugglers into using small aircraft to land at various points in Mexico and into supplying Mexican smuggling net-

that cross the land borders. Ironically, many DEA officials believe that this has made the smugglers more efficient. Not overlying U.S. borders has allowed them to use more payload for drugs because they do not need to carry fuel on board, has reduced aircraft losses due to interdiction and exhaustion, and has reduced the loss rate of pilots.

We have never had a satisfactory answer to our questions on this issue from either OSD or ONDCP, and no Agency or organization seems to have an overall analytic capability to look at these effects of its efforts. Each of the individual law enforcement agencies, Joint Task Forces and commands seems to be left to carry out its mission of supporting individual law enforcement efforts in isolation. As a result, no effort is being made to seriously study the extent to which we are really affecting cultivation in Latin America, the flow of drugs into Mexico, or the overall patterns of drug movement and extent to which the flow is being channeled across the southwest border.

We have been unable to even get answers to relatively simple questions about key parts of this effort. The Air Force, for example, is now supporting the U.S. Customs aerostat effort. No one in the Department, however, is charged with looking at what the aerostats actually accomplish. It is clear that many of the aerostats are down so often that they leave prolonged and predictable gaps in their coverage. It is clear that all of the aerostats are often down for several days at a time, that these down times are often announced over local radio, that they can easily be seen from the ground, and that active aerostats can be easily detected with commercial radar detectors. Further, it is clear from discussions at EPIC and JTF-6 that the aerostats in Arizona have significant and well known low altitude gaps in their coverage.

The trade-offs between these disadvantages and the potential advantages gained from deterring some small aircraft and detecting others as they land in Mexico never seem to have been examined in any analytic way. There also seems to be no effort to develop an overall strategy of air interdiction between the use of aircraft and aerostats or to examine the trade-offs between funding the aerostats and funding improved coverage of the land borders.

In fact, ONDCP seems to lack the ability to show whether or not its overall effort, regardless of what it may do for the rest of the country, has acted to increase the net threat to the state of Arizona.

PUTTING RESOURCES WHERE THE PROBLEM IS

The fourth step is to put our resources where the problem is. I have not studied the allocation of resources in civil agencies in depth, but it is all too clear that problems exist within the military effort.

There may be no effective solution to the use of the military in dealing with key threats—in which case, we should reprogram a major amount of the money now spent to deal with domestic law enforcement and drug treatment within the U.S. It is striking, however, that JTF-6 seems to have had remarkably little support in dealing with the land border issue.

Last year, I found that the Department of Defense had made decisions which sharply reduced the Department's ability to use many of its surveillance assets to deal with land threats. It was only after pressure on the Department and legislation in last year's Defense Authorization Act that this situation was changed.

Major problems, however, still remain. The Department has never presented a clear plan

to the Congress to make use of its capabilities to secure the land borders. It is still constraining JTF-6 with unrealistic rules of engagement, and its technology effort ignores the most serious single method of cocaine smuggling.

To begin with, it is clear that a serious and coordinated effort needs to be made to examine what can be done to improve surveillance and interdiction of the border outside legal points of entry. It is not clear whether some kind of fence, sensor system, improved check point system, or improved rear area surveillance is needed. What is clear is that simply providing military support to meet the uncoordinated efforts of individual law enforcement agencies is not cost-effective.

Second, a comprehensive reexamination is needed of the present policies, rules, law, and regulations affecting JTF-6. This examination should involve:

The lack of any effective cooperation between JTF-6 and Mexican law enforcement officials.

An all-source review of JTF-6's access to intelligence sensor systems and ability to use them.

Immediate reevaluation of the present rules that (a) JTF-6 can only assist in efforts where there is a detection of the actual movement of drugs across the border, (b) the present constraint that monitoring and communications of movement can only be executed if activity occurs within 25 miles of the border (land) and without 25 miles of and outside the U.S. (air), and (c) implementation options to broaden the use of air, ground, air/ground, and water operations throughout the southwest border states without infringing on the limits place by posse comitatus.

Third, a comprehensive and immediate reexamination is needed of the southwest border technology program to determine why it does not contain a significant effort to develop technologies like high energy X-rays and pulsed fast neutron scanning that can aid in the non-intrusive search of trucks, trailers, and privately owned vehicles at crossing points and check points.

Experts seem to agree that the inability to rapidly search commercial and private vehicles for drugs, or to search even 5% of the vehicles involved, makes other land and air interdiction efforts almost pointless. At this point, however, efforts to use non-intrusive search technology are not properly integrated into the technology plan.

ARPA is some six months behind schedule in funding key parts of the development effort, and no effort has been made to use the test facility being built at Tacoma to examine the search of tractor trailers and privately owned vehicles in addition to the containers used on ships.

Fourth, a comprehensive reexamination of the Department's budget priorities is needed to examine the weight of effort assigned to the southwest border. It is axiomatic that military resources should be put where the threat is. Unfortunately, the current allocation of resources seems to be based on putting them where the forces are. This seems to be another major factor in contributing to the "funnel effect" that is causing increased drug traffic across the southwest border.

I believe that ONDCP needs to join the Department of Defense in this effort, and broaden it to include the federal law enforcement agencies and intelligence effort as well. We need to firmly recognize that we accomplish nothing if we can only deter or arrest small scale smuggling efforts; if we cannot solve the problems posed by container ves-

sels, commercial aircraft, commercial and privately owned vehicles; and if we cannot bring a halt to the near sanctuary status Mexico offers smugglers in the southwest border area.

SEEKING VICTORY, NOT CLAIMS OF VICTORY

I apologize for the unusual length and detail in this letter. However, I believe that we have institutionalized the wrong approach to the problem, the wrong mission, and the wrong measures of effectiveness, and I hope that you will make this the subject of an independent investigation that can get at the facts, challenge the prevailing approach, and put us on the right track. Anyone can claim victory and do so at the taxpayer's expense. We need real victories that protect both our citizens and the taxpayer's dollar.

Sincerely,

JOHN MCCAIN,
U.S. Senator.

OFFICE OF THE DEPARTMENT OF DEFENSE
COORDINATOR FOR DRUG ENFORCEMENT POLICY AND SUPPORT,
Washington, DC, February 26, 1993.

HON. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: This is in further response to your July 29, 1992, letter to Secretary Cheney regarding the problem of drug smuggling across the land border between the United States and Mexico.

We have reviewed available drug threat assessments for the Southwest border area and have identified roles the military can and will play in supporting drug law enforcement agencies in their counterdrug efforts in this critical area. The following information is a synopsis of available data provided for your information:

SOUTHWEST BORDER DRUG TRAFFICKING PATTERNS

The Southwest Border is 1,929 miles long and is characterized by tremendous diversity—dense population centers to unpopulated areas, high border fences to no fences, very deep canyons and mountains to flat terrain, and dense vegetation to barren desert.

Similarly, the drug smuggling threat moving across the Southwest Border is just as diverse as the terrain—operating a highly flexible system which continually adapts and varies the trafficking approaches. Smuggling along the Southwest Border is done, to a large extent, by close-knit and well-established family organizations.

Based on current threat assessments and seizure data, it is estimated that 70% of the South American cocaine entering the U.S. comes across the Southwest Border. Although the increased aerial and maritime pressure applied by law enforcement in the Caribbean, with assistance provided by military assets, was perceived to be responsible for an expansion in the usage of drug smuggling routes across the Southwest Border, no hard evidence exists to confirm this perception. The law enforcement community currently assesses the noncommercial air and maritime smuggling threat as increasing. However, the level of smuggling across the Southwest Border by general aviation aircraft is considered low and is not expected to significantly increase in the near future.

Investigations, both in Mexico and the U.S., indicate that most of the cocaine crossing the Southwest Border is transported using traditional overland routes via tractor-trailers and other land vehicles. Arizona and California have had the most seizures recently. This does not necessarily mean more activity.

Cocaine moved across the border through ports of entry is transported in trunks or concealed compartments of automobiles, concealed compartments in trucks or vans, or mingled with legitimate cargo moved in tractor-trailers. Although backpackers, animal pack trains, automobiles, and pickup trucks are used when smuggling cocaine between the ports, it is believed that the majority of the cocaine enters the U.S. through the ports of entry, especially in those areas where the border fence has been upgraded with the installation of steel landing mats.

As persistent and effective pressure is increased against the noncommercial methods of delivery, traffickers will increasingly attempt to exploit the potential of commercial conveyances.

ARIZONA SPECIFIC THREAT DATA

Cocaine is moved across the Arizona border through ports of entry at Douglas, Nogales, and San Luis in large commercial vehicles and smaller vehicles, the latter often fitted with concealed compartments. The most commonly encountered concealments involve inclusion of the cocaine in commercial shipments in tractor-trailer loads of ore, clay tile, or produce and in the trunks and false compartments of automobiles.

Between the ports of entry, backpackers or pack animals carry the cocaine to temporary stash locations north of the border where it is subsequently picked up by vehicles for transportation to stash houses in Tucson or Phoenix.

DOD SOUTHWEST BORDER COUNTERDRUG SUPPORT ROLE STRATEGY

The Department of Defense has and will continue to provide support in countering the flow of illegal drugs into the United States through efforts both outside the United States and at or near the Nation's borders and ports of entry. Additionally, DoD has long recognized the importance of counterdrug support efforts along the Southwest Border and, as demonstrated below, it is our intent to continue to place a high priority on DoD support to this critical geographical area. Our strategy will focus on the following five areas: (1) Increased use of Active, National Guard, and other Reserve resources, (2) Development and implementation of high technology detection equipment, (3) Increased manning of ports of entry and check-points, (4) Increased use of multi-agency tactical response teams, and (5) Implementation of border control enhancements, i.e. improved fences and border road construction/improvements. If the efforts of the law enforcement agencies and DoD result in a shift in the drug threat or smuggling activity, we will review our support strategy and provide to the law enforcement agencies the level of support that is within our capability.

DOD COUNTERDRUG SUPPORT EFFORTS

The following recitation of counterdrug efforts undertaken by DoD on the Southwest Border in support of Federal, state, and local drug law enforcement agencies demonstrates our resolve and commitment to this critical area.

DoD has increased significantly the support to the Southwest Border area over the last three fiscal years (FY). Employing units from all the Services, DoD conducted an unprecedented total of 465 counterdrug support missions in FY 92 compared with 279 missions in FY 91 and only 20 missions in FY 90. In addition, the scale of counterdrug support operations has been expanded from squad and platoon size operations to company and battalion size operations of approximately

700 personnel. This expansion resulted in well over 13,000 military personnel participating in counterdrug support operations along the Southwest Border during FY 92 and represents a 1.113% increase in number of personnel over FY 90.

The priority of the Commander in Chief, Forces Command (CINCFOR) counterdrug support will continue to be directed toward the Southwest Border and encompasses the following specific types of support operations:

Ground Surveillance Radars/Remotely Monitored Battlefield Area Surveillance System—detect drug traffickers and report suspicious activity to DLEAs at ports of entry.

Air Transportation/Aerial Detection and Monitoring/Aerial Reconnaissance—Provide aerial support to drug interdiction and eradication operations.

Listening Post/Observation Post Training Exercises—Conduct visual/photographic reconnaissance of areas suspected of being used for smuggling operations and report suspicious clandestine activity to DLEAs.

Engineer Support to U.S. Border Fence—Construction upgrade/repair/reinforcing 10 foot high steel fence along the border at suspected drug trafficking corridors.

Tunnel Detection Operations—Locate potential tunnel sites under the U.S./Mexican Border.

The National Guard has also placed priority on Southwest Border support operations. Over 36% of the total funds authorized for the use of National Guard personnel and equipment in support of drug law enforcement agencies, as requested in the state plans submitted by the governors of the 54 states and territories, were allocated to the four Southwest Border states of Arizona, California, New Mexico, and Texas. The types of Southwest Border support provided by the National Guard under this program include the following:

- Border surveillance;
- Port of Entry vehicle and cargo inspections;
- Linguistic/Intelligence Analysts;
- Engineer Support—Road Construction/Upgrade;
- Aerial Photography;
- LEA Liaison Support;
- Computer, Logistic, and Maintenance Support;
- Ground and Aerial Surveillance;
- Training Support for Law Enforcement Agencies;
- Communications Support;
- Mobile Ground Radar Support.

Title 10 (Active Duty) personnel are constrained by the Posse Comitatus Act from direct involvement in many types of surveillance. Title 32 National Guard personnel, however, are not subject to the Posse Comitatus limitations and have provided and will continue to provide this type of surveillance support to law enforcement agencies along the border. The DLEAs report that this support has greatly enhanced their drug interdiction capability resulting in a significant increase in seizures and arrests.

Recognizing the need for effective communications interoperability among the various organizations involved in counterdrug operations, DoD was directed to integrate U.S. command, control, communications, and intelligence (C3I) assets into an effective communications network. The result of this effort is called the Antidrug Network (ADNET). There are currently over 130 operational ADNET terminals at 56 sites supporting 26 counterdrug organizations with identified requirements for over 150 additional

sites. Of this number, 15 ADNET terminals are operating in two of the Southwest Border states—Texas and California—with requests to establish 16 more Southwest Border terminals (one in Arizona). ADNET allows users to access and share information from a variety of DoD/LEA sensor/surveillance resources.

Finally, because of the large volume of drugs that are entering the United States hidden in commercial cargo containers and vehicles and the consequent need to greatly increase the law enforcement drug detection capabilities at our ports of entry, DoD has tasked the Defense Advanced Research Projects Agency to oversee the research, development and testing of non-intrusive inspection devices which can detect the presence of cocaine and heroin in cargo containers, large vessels, vehicles, and other conveyances. The first X-Ray imaging prototype, capable of imaging an entire cargo container without unloading the contents, was recently evaluated at a Houston, Texas, test bed facility; the results were very positive. A second test bed is currently being constructed at Tacamo, Washington, and should be operational by April 1993. This site will include both X-Ray and neutron activation systems to detect drugs in cargo containers. A third test bed will be operational at Otay Mesa, California, in June 1993 and will include an X-Ray system capable of detecting drugs concealed in the numerous empty tractor-trailers crossing the border. When fully developed and fielded, this technology should greatly enhance the drug detection efforts along the Southwest Border while minimizing the disruption to legitimate commercial activity. In the meantime, National Guard personnel will continue to augment U.S. Customs Service personnel in the inspection of cargo at U.S. ports of entry.

We feel that our performance record clearly manifests our support and dedication to the efforts of the Southwest Border law enforcement agencies. As stated above, if we find that the illegal drug threat and the requirements change, we will continue to review and modify our strategy as required and provide the counterdrug support that is consistent with the legal constraints under which we must operate and within our capability.

Thank you again for your continuing support of the counterdrug support efforts of the Department of Defense.

Sincerely,

MICHAEL A. WERMUTH,
Deputy Assistant Secretary for Drug Enforcement Policy (Acting DoD Drug Coordinator).

GOD WASN'T KICKED OUT, AFTER ALL

Mr. HELMS. Mr. President, anybody who has a remaining doubt about the root cause of the moral breakdown of America may find some useful clues in an article in the newspaper published in my hometown on May 12.

I should add parenthetically that the Raleigh, NC, News and Observer itself is not noted for having an understanding of why the moral and spiritual collapse is happening. The truth is, that newspaper, and many other liberal publications like it across America, are a major part of the problem.

In any case, Mr. President, the Raleigh paper reported on May 12 that the

principal of East Wake High School in Wendell, NC, ordered the choral society at his school to strike any reference to God from the song, "Irish Blessing," scheduled to be sung at this year's commencement exercises.

The school principal is not particularly to be faulted except in the sense that he probably never raised a ruckus about the unconscionable Supreme Court decisions of the 1960's plus the one of 1992 that banished God from the classrooms.

So what the principal did was to demand that the word God be removed from the lovely song, "Irish Blessing"—which is roughly akin to ordering the draining of the Atlantic Ocean. The precise basis for his decision, the principal explained, was the Supreme Court's 1992 ruling last year in the case *Weismann versus Lee*.

Then, Mr. President, came the news that the Supreme Court had let stand a Seventh Circuit Court of Appeals decision prohibiting the voluntary distribution of Gideon Bibles to fifth-graders in an Indiana public school system—even though the fifth-graders voluntarily requested the Bibles.

So, one may conclude, it is permissible to distribute condoms to students in the schools, but not Bibles.

Mr. President, since the Supreme Court's decisions opposing any voluntary religious activity in the public schools began in the 1960's, an entire generation has grown up without the benefit of religious influence in their schools.

My good friend, William Bennett—who knows a thing or two about children and education inasmuch as he served as Secretary of Education under President Reagan—has accumulated statistics and data evaluating the social and moral climate of this country.

This "Index of Leading Cultural Indicators," as Bill Bennett calls it, documents the implications of our Nation's moral decline—a decline which directly coincides with the Supreme Court's outlawing school prayer in the 1960's.

For instance, in 1960, 8 percent of children lived with single mothers; in 1990, 22 percent of children lived with single mothers. The percentage of illegitimate births over the three decade interim has risen sharply from 5.3 to 26.2 percent, while the number of children on welfare has similarly and predictably risen from 3.5 percent in 1960 to nearly 12 percent in 1990. The teenage suicide rate has jumped from 3.6 to 11.3 percent during the same period of time.

Mr. President, Bill Bennett's Index documents what many Americans have been saying all along—that substituting moral relativism for religion, enforced with the counterfeit cries of "separation of church and state"—has been a miserable failure. The "do-it-if-it-feels-good" immorality permeating our society has not led to happier and

more productive lives for our children—it has done precisely the opposite.

There is, however, one bright spot to this story. In the days following the News and Observer article to which I alluded earlier, so many parents and teenagers expressed their disapproval of the principal's order that he had no choice but to reverse his decision.

But, before it is too late, we must have the courage to stand up for the role of religion in our society if America is to survive. The students of Wendell, NC, and their families have demonstrated such courage and my hat's off to them.

Mr. President, I ask unanimous consent that William Bennett's article entitled "Quantifying America's Decline" which appeared in the Wall Street Journal on March 15 be included in the RECORD at the conclusion of my remarks, along with articles from the Raleigh News and Observer of May 12 and 14; also an article from the Washington Times of May 18.

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

[From the Raleigh News and Observer, May 12, 1993]

PRINCIPAL PULLS GOD FROM GRADUATION SONG

(By Pamela Babcock)

WENDELL.—East Wake High School singers practiced the song dozens of times and were just getting it right when a single, powerful word got in their way.

Principal Del Burns, citing a U.S. Supreme Court ruling on separation of church and state, objected to a lone reference to God in an Irish hymn that student choirs planned to sing at East Wake's graduation June 5.

The young singers have retooled the tune, "Irish Blessing," yanking the word "God" and replacing it with "love."

But patching up that problem has opened another dispute.

Choir member Kelly Wilcox, a senior who plans to major in biology at N.C. A&T State University, said Burns' decision violates the students' First Amendment right to freedom of speech.

"A lot of us got upset," Wilcox said. "It's just the principle of it. They're making a big deal out of it. I can see if someone is going to go up there and pray and say, 'Amen,' but it's nothing that big."

Burns' veto of the verse—"May the God that loves us all hold you in the palm of his hand"—took Wake school officials to a new level in their struggle to interpret the Supreme Court's ruling that prayer at public school graduations is unconstitutional.

Superintendent Robert Wentz informed parents of graduating seniors last fall that the court's decision forced the Wake schools to stop sponsoring baccalaureates. His action caused sharp resentment among many parents and students, most of them fundamentalist Christians.

Burns, however, said he doesn't think he overreacted this year.

"I'm not playing censor," he said Monday. "I'm making a decision about the Supreme Court decision. My job is to uphold the law."

The students had spent a month rehearsing "Irish Blessing," only to have Burns pull the plug last month when a draft of the graduation program crossed his desk.

Burns, who knows the song, told the choir to drop it entirely or replace the religious reference.

The students rewrote the disputed line to read, "May the love that binds us all hold you in the palm of its hand."

Some members of the Concert Chorus, one of three choirs at East Wake, considered boycotting the ceremony. Other students contemplated raising a sign with the word "God" written on it during the performance.

"We had people crying, just going out with their feelings," Wilcox said. "We just broke down. The subject was so deep."

The song is one of two that students are scheduled to perform when 280 East Wake seniors graduate.

"It's like an inspiration before we go on," Wilcox said. "We're taught in school, in civics, that we have freedom of choice, religion and assembly. Then somewhere in the Constitution it says something about separation of state and religion. I think that's contradictory."

Wilcox, who said she prays and goes to church, said she contacted local ministers and hopes others will take interest in the issue.

"I think everybody's going to grit their teeth and bear it," Wilcox said. "I don't feel right about it, though. It just doesn't feel right taking something like that out."

Olisha Cox, another senior member of the choir, said performing the hymn has lost some meaning because of the change.

"Just knowing the words, it does defeat the purpose of the song to me," she said. "We don't feel inspired singing it. We just don't want to sing it now."

Burns defended his decision.

"It's a benediction, and there can be, according to the Supreme Court, no entanglement between the church and state," he said.

Wentz said Burns did not consult him.

"He did it on his own and properly so," Wentz said.

THE ALTERED LYRIC

The original verse of "Irish Blessing" is:
 May the road rise to meet you,
 May the wind be always at your back,
 May the sun shine warm upon your face,
 And the rains fall soft upon your fields,
 And until we meet again,
 May the God that loves us all
 Hold you in the palm of his hand.
 The last line, as rewritten by the students,
 now is:
 May the love that binds us all
 Hold you in the palm of his hand.

[From the Raleigh News and Observer, May 14, 1993]

PRINCIPAL RESURRECTS GOD IN "IRISH BLESSING"

(By Pamela Babcock)

WENDELL.—God's back at East Wake High School.

School officials, faced with a chorus of opposition to their decision to keep a group of high school students from singing the word "God" at graduation June 5, have changed their minds.

Principal Del Burns announced his decision during a fifth-period class Thursday afternoon, acknowledging that he had been besieged by calls. Students were elated.

"Everybody was excited, everybody's mouth dropped," said Rebecca Humphries, 15, a sophomore from Knightdale. "Lots of people don't listen to you because they say you're just a teenager. But as teenagers we can be positive, set good examples and do good too."

The students, who had argued that the ban violated their First Amendment right to free speech, decided not to practice the song "Irish Blessing" on Thursday afternoon. Instead they listened sympathetically while Burns—a popular principal—struggled to explain how he reached his decision.

"He said he didn't know which way to go with it," senior Kelly Wilcox said. "I respect that and understand that. We're on equal sides now with the principal."

The school's 25-member concert chorus had practiced the Irish hymn for about a month before Burns scotched it, citing a 1992 Supreme Court ruling prohibiting religious programs at school graduations. The singers reworked the lyric—"May the God that loves us all hold you in the palm of his hand"—substituting the word "love" for "God."

School officials said Burns sought school attorneys' legal interpretation of the ruling Wednesday after he received dozens of calls about the issue. Burns could not be reached Thursday.

"He certainly felt strongly about the community being upset," said school board member Linda Johnson, who represents the district that includes East Wake High. "I'm sorry the whole thing ever came up."

It wasn't the first time, the Supreme Court's new "God guidelines" have been put to the test in Wake schools.

Last fall, Superintendent Robert Wentz caused sharp resentment among some parents and students after he announced that the court's ruling would force the schools to stop sponsoring baccalaureates.

Other pressures may have been coming to bear on the principal. Ron Taylor, a conservative activist and director of Operation Save-A-Baby, had contacted the Rutherford Institute, a legal and education organization specializing in the defense of religious freedom. He said lawyers there were ready to sue the school system if the "egregious act" wasn't corrected.

Wilcox, a member of the singing group, said she received calls from more than a dozen backers after she helped bring the issue to light this week.

"I've been getting calls from ministers, lawyers and other people who are supportive," Wilcox said. "I was on the phone since I got home at 4 p.m. until midnight."

Members of the choral group threatened to boycott the ceremony, while others considered hoisting a sign with the word "God" rather than singing the word.

Wentz said he leaves decisions on program content to individual principals, but added that he will encourage principals to consult the school system's attorneys.

Meanwhile, Wilcox said she hopes the efforts of the students won't be forgotten.

"This is not the end," Wilcox said. "Next year, it'll pop up again and somebody might not stand up next time."

[From the Wall Street Journal, Mar. 15, 1993]
QUANTIFYING AMERICA'S DECLINE
 (By William J. Bennett)

Is our culture declining? I have tried to quantify the answer to this question with the creation of the Index of Leading Cultural Indicators.

In the early 1960s, the Census Bureau began publishing the Index of Leading Economic Indicators. These 11 measurements, taken together, represent the best means we now have of interpreting current business developments and predicting future economic trends.

The Index of Leading Cultural Indicators, a compilation of the Heritage Foundation and

Empower America, attempts to bring a similar kind of data-based analysis to cultural issues. It is a statistical portrait (from 1960 to the present) of the moral, social and behavioral conditions of modern American society—matters that, in our time, often travel under the banner of "values."

Perhaps no one will be surprised to learn that, according to the index, America's cultural condition is far from healthy. What is shocking is just how precipitously American life has declined in the past 30 years, despite the enormous governmental effort to improve it.

Since 1960, the U.S. population has increased 41%; the gross domestic product has nearly tripled; and total social spending by all levels of government (measured in constant 1990 dollars) has risen from \$143.73 billion to \$787 billion—more than a fivefold increase. Inflation-adjusted spending on welfare has increased by 630%, spending on education by 225%.

But during the same 30-year period there has been a 560% increase in violent crime; a 419% increase in illegitimate births; a quadrupling in divorce rates; a tripling of the percentage of children living in single-parent homes; more than a 200% increase in the teenage suicide rate; and a drop of almost 80 points in SAT scores.

Clearly many modern-day social pathologies have gotten worse. More important, they seem impervious to government's attempts to cure them. Although the Great Society and its many social programs have had some good effects, there is a vast body of evidence suggesting that these "remedies" have reached the limits of their success.

Perhaps more than anything else, America's cultural decline is evidence of a shift in the public's attitude and beliefs. Social scientist James Q. Wilson writes that "the powers exercised by the institutions of social control have been constrained and people, especially young people, have embraced an ethos that values self-expression over self-control." The findings of pollster Daniel Yankelovich seem to confirm this diagnosis. Our society now places less value than before on what we owe to others as a matter of moral obligation; less value on sacrifice as a moral good; less value on social conformity and respectability; and less value or correctness and restraint in matters of physical pleasure and sexuality.

Some writers have spoken eloquently on these matters. When the late Walker Percy was asked what concerned him most about America's future, he answered: "Probably the fear of seeing America, with all its great strength and beauty and freedom . . . gradually subside into decay through default and be defeated, not by the Communist movement, demonstrably a bankrupt system, but from within by weariness, boredom, cynicism, greed and in the end helplessness before its great problems." Alexander Solzhenitsyn, in a speech earlier this year, put it this way: "The West . . . has been undergoing an erosion and obscuring of high moral and ethical ideals. The spiritual axis of life has grown dim." John Updike has written: "The fact that, compared to the inhabitants of Africa and Russia, we still live well cannot ease the pain of feeling we no longer live nobly."

Treatises have been written on why this decline has happened. The hard truth is that in a free society the ultimate responsibility rests with the people themselves. The good news is that what has been self-inflicted can be self-corrected.

There are a number of things we can do to encourage cultural renewal. First, govern-

ment should heed the old injunction, "Do no harm." Over the years it has often done unintended harm to many of the people it was trying to help. The destructive incentives of the welfare system are perhaps the most glaring example of this.

Second, political leaders can help shape social attitudes through public discourse and through morally defensible social legislation. A thoughtful social agenda today would perhaps include: a more tough-minded criminal justice system, including more prisons; a radical reform of education through national standards and school choice; a system of child-support collection, whereby fathers would be made to take responsibility for their children; a rescinding of no-fault divorce laws for parents with children; and radical reform of the welfare system.

But even if these and other worthwhile efforts are made, we should temper our expectations of what government can do. A greater hope lies elsewhere.

Our social and civic institutions—families, churches, schools, neighborhoods and civic associations—have traditionally taken on the responsibility of providing our children with love, order and discipline—of teaching self-control, compassion, tolerance, civility, honesty and respect for authority. Government, even at its best, can never be more than an auxiliary in the development of character.

The social regression of the past 30 years is due in large part to the enfeebled state of our social institutions and their failure to carry out their critical and time-honored tasks. We desperately need to recover a sense of the fundamental purpose of education, which is to engage in the architecture of souls. When a self-governing society ignores this responsibility, it does so at its peril.

Eight cultural indicators
Average daily TV viewing

	Hours
1960	5:06
1965	5:29
1970	5:56
1975	6:07
1980	6:36
1985	7:07
1990	6:55
1992	7:04

Source: Nielsen Media Research.

Percent of illegitimate births

1960	5.3
1970	10.7
1980	18.4
1990	26.2

Source: National Center for Health Statistics.

Children on welfare

	Percent
1960	3.5
1965	4.5
1970	8.5
1975	11.8
1980	11.5
1985	11.2
1990	11.9

Source: Bureau of the Census; U.S. House of Representatives.

Violent crime rate (per 100,000)

1960	16.1
1965	20.0
1970	36.4
1975	48.8
1980	59.7
1985	53.3
1990	73.2
1991	75.8

Source: F.B.I.

SAT scores

1960	975
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1965	969
1970	948
1975	910
1980	890
1985	906
1990	900
1992	899

Source: The College Board.

Children with single mothers

	Percent
1960	8
1970	11
1980	18
1990	22

Sources: Bureau of the Census; Donald Hernandez. The American Child: Resources from Family, Government and the Economy.

Teen Suicide Rate

	Percent
1960	3.6
1965	4.0
1970	5.9
1975	7.6
1980	8.5
1985	10.0
1990	11.3

Source: National Center for Health Statistics.

Median prison sentence¹

	Days
1954	22.5
1964	12.1
1974	5.5
1984	7.7
1988	8.5
1990	8.0

¹ Serious Crime: murder, rape, robbery, aggravated assault, burglary, larceny/theft and motor vehicle theft.

Source: National Center for Policy Analysis.

[From the Washington Times, May 18, 1993]

JUSTICES BAR BIBLE HANDOUTS AT SCHOOL

The Supreme Court yesterday let stand a ruling that barred the distribution of Gideon Bibles to fifth-graders in an Indiana public school system.

The justices, without comment, rejected arguments by Rensselaer, Ind., school officials, who said the longtime practice did not violate the constitutionally required separation of church and state.

The 7th U.S. Circuit Court of Appeals in January ordered the Rensselaer district to stop the challenged practice, saying, "The distribution of Bibles in Indiana schools offends the First Amendment of the Constitution.

"People are accustomed to finding Gideon Bibles tucked in the drawers of their hotel rooms; much less frequently do they find them stashed in the desks of their public school classrooms," the appeals court said.

School officials in Rensselaer, a rural northwest Indiana county, let Gideons International give Bibles to fifth-graders for more than 30 years. For more than 20 years, representatives from other organizations—the 4-H Club, Boy Scouts and Girl Scouts—have spoken to Rensselaer students and handed out literature.

Allen Berger, whose two children attended Rensselaer schools, sued the school district in 1990. He objected to the distribution of Bibles.

U.S. District Judge Allen Sharp ruled that the practice could continue because halting it would single out religious groups and messages for hostile treatment. But the 7th Circuit court reversed that ruling.

"A public school cannot sanitize an endorsement of religion . . . by also sponsoring

non-religious speech," the appeals court said, relying on a Supreme Court decision last June barring official prayers at public school graduations. The ruling "leaves little room for public schools to teach or promote religion, and the distribution of Gideon Bibles cannot fit in these restrictive confines." Rensselaer school officials said the appeals court ruling erects "an absolute wall of separation between students in state-run schools and religious persons with religious messages and values."

THE WISDOM OF HENRY HYDE

Mr. HELMS. Mr. President, many of us have the pleasure and honor of knowing the Honorable HENRY J. HYDE, who serves across the Capitol as the U.S. Representative from the Sixth District of Illinois.

HENRY has a well-deserved reputation for eloquence and common sense—a combination evident in his recent address to an organization called the Republican Majority Coalition.

HENRY's remarks about the moral issues facing our Nation may discomfort some—but can enlighten all, which is why I commend it to my colleagues.

Mr. President, I ask unanimous consent that the text of Representative HENRY J. HYDE's remarks to the Republican Majority Coalition on May 10, 1993, be printed in the RECORD at the conclusion of my remarks.

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

REMARKS TO REPUBLICAN MAJORITY COALITION, U.S. REPRESENTATIVE HENRY J. HYDE

Thank you for inviting me to meet with you this morning.

Our topic is an urgent one: How can we broaden the base of the Republican Party?

Identifying the concerns and aspirations of our party with the concerns and aspirations of the American people is a goal with which I'm entirely sympathetic. Any party that fritters away the advantages that the Republican Party enjoyed in the late Spring of 1991 has some thinking to do.

So does any party that lets itself get beaten by Bill Clinton: a standard-issue big-government liberal whose masquerade as a "New Democrat" ended abruptly on November 4, 1992: the day after the election, and the day after which we heard no more about tax relief for the middle class, about "ending welfare as we know it," about reforming our decrepit government schools, and about a new era of fiscal responsibility.

A lot of instant mythology has quickly grown up around the 1992 election, and its important for this group, and for all Republicans, to understand just why George Bush lost.

George Bush didn't lose because the American people watched our convention and thought it was a replay of the Rocky Horror Picture Show; our ticket got a 9-15 percent bounce up immediately after the convention. George Bush lost because the Republican Party didn't respond to the Democratic and media caricature of our convention as a sinister event reminiscent of the 1938 Nuremberg rally.

George Bush didn't lose because of our party's plank on abortion; exit polls showed that for those voters who made their voice

primarily on the abortion question, our position was a net plus.

The Republican Party lost the presidency because it ran a poor campaign. That campaign failed to articulate a compelling vision of the American future. It didn't expose the passion for social engineering and the environmental radicalism of the Clinton/Gore team. It didn't tap the frustration and anger of the American middle class at the nanny state's endless intrusions into our lives. It let the Democrats define the wedge issue as "the economy, stupid"—an economy, by the way, that was already on the way back.

So what are the lessons of the 1992 campaign?

Lesson No. 1 is that Republicans lose, nationally, when we run as a pale imitation of the Democratic Party. That leaves all the initiative on the other side, and it puts us immediately on the defensive, from which we never seem to escape. "Republican" does not equal "Democrat Lite."

Lesson No. 2 is that Republicans should stop being embarrassed by the New York, Washington, and Hollywood tastemakers. If we worry about how we're playing in Beverly Hills, the Upper East Side, and Cleveland park, and neglect Orlando, Raleigh, Peoria, Phoenix, Richmond, Erie, Orange County, and Indianapolis, we're going to lose, and lose, and lose again. Republicans have got to straighten their spines and understand this: for so long as we defend a free economy, lower taxes, entrepreneurship, a strong national defense, and the values on which this country was built, we're going to be mocked and pilloried by the forces of political correctness. Well, c'est la vie. We'll take our case to the people, and if we present it with conviction and compassion, we'll win.

Lesson No. 3 is that you don't multiply by dividing, and you don't add by subtracting. George Bush lost because many of those who managed his Administration, his campaign, and his national party apparatus were uncomfortable with, even nervous about, perhaps even disdainful of, the key swing vote in America today: the so-called "Reagan Democrats" who won us three landslides in the 1980's, but whom we assiduously ignored in 1992.

Lesson No. 4 is the oldest lesson in politics: you can't beat something with nothing. Put more positively, people support people who believe in something. And that brings me directly to the question of how we can "broaden the base of the Republican Party."

1. We will broaden the base of the Republican Party if we identify our party, now, with the parents' revolt that is picking up steam across the country. Look at school district 24 in Queens; look at the Wisconsin state Superintendent of Education race last month; look at the law suit filed by inner city Chicago parents, charging that the government schools are denying their children the right to a "decent education" guaranteed by our state constitution; look at the school choice initiatives being pressed in states throughout the country. Everywhere, parents are saying, "Enough is enough. Not with our kids, you don't."

This parents' revolt is like the early days of the tax revolt in the 1970's. It's just beginning to pick up steam. The party that aligns itself with this revolt will have a good chance at dominating the politics of the 1990's and beyond, just as the party that aligned itself with the tax revolt of the mid-1970's dominated the politics of the 1980's.

And the key to channeling the parents' revolt into productive reform is to wholeheartedly and unabashedly endorse, as a

central plank of the Republican platform, full parental choice in education. Our educational system—and the effective monopoly on public funds enjoyed by government schools—is the greatest single failure of the nanny state. The government schools are run by bureaucrats and their teachers' union allies, for bureaucrats and their teachers' union allies. That system absorbs ever-larger amounts of tax dollars while giving us ever-less return on our investment. The educational establishment is damaging our children's future, and it is damaging our country's future. Everybody is mad at it: parents, employers, students, and teachers who try to buck the system.

The government educational system is beyond self-reform. We now spend almost \$275 billion per year on government elementary and secondary schools—more than 4 percent of gross domestic product. That spending has increased by more than 40 percent over the past decade. And the results continue to be, not just disappointing, but disgraceful. The answer isn't more money; the answer is competition. Just as the Postal Service began to reform itself only after consumers got a real choice through Federal Express and fax machines, government schools are only going to reform themselves when their primary consumers—parents and children—get a real choice.

We can argue about whether that choice is best created through vouchers, or tax credits, or some combination of the two. But a Republican Party seeking to broaden its base will identify itself, clearly and unambiguously, with parents' revolt, and with full parental school choice—including the choice for independent schools—as the linchpin issue of the parents' revolt.

2. The Republican party will effectively broaden its base if it challenges the quota mentality that is running riot in the Clinton Administration. Our creed should be Dr. Martin Luther King, Jr.'s creed: we believe in an America where our people are judged on the content of their character, not on the color of their skins—or their gender, their "sexual orientation," or their ethnicity.

The quota mentality, unchecked, will kill the American experiment. It does not help foster the noble virtue of tolerance; it creates anger, resentment, and division. It does not foster genuine pluralism; it creates a Balkanized America, where tribes are at war with each other—sometimes, quite literally—for their preferential place at the governmental trough.

The Republican Party ought to become, again, the party of black aspiration in these United States: not by keeping African Americans chained to the liberal plantation and locked into the vicious cycle of poverty and welfare dependence, but by creating policies that reward responsibility and entrepreneurial energies; that strengthen families and local communities; that give black parents the power to educate their children as they, not the educators, see fit; and that protect urban communities from gang warfare, thugs, and drug terrorism.

A Republican Party whose only response to African Americans is to get underbid by Democrats in the welfare plantation sweepstakes is a party that has abandoned its birthright.

3. And the Republican Party should expand—that's right, expand—its base by vigorously pressing the "social issues": individual responsibility, the integrity of the traditional family, and maximum feasible legal protection for the unborn.

We've all heard it said that America, today, is in the midst of a culture-war. We

may shy away from that imagery, but however we describe the reality, it's there. Either you believe in governmental funding for "performance act" that is, by any civilized standard, degrading and obscene, or you don't. Either you believe that the legal definition of "marriage" should be extended to homosexual couples and to any other configuration of adults sharing living space and access to each other's bodies, or you don't. Either you believe in teaching "Heather Has Two Mommies" to first-graders, or you don't. Either you believe in the "politically correct" restriction of free speech on campus, or you don't. Either you believe in unregulated abortion-on-demand, or you don't.

There is no way to avoid these issues. There is no way to mugwump these issues. The "social issues"—coupled with the parents' revolt—are the politics of the 1990's. And we shouldn't be embarrassed to say so: after all, as Bill Bennet reminds us, take away the "social issues" from Abraham Lincoln, and what have you got?

If press reporting on your group has been even moderately accurate, you believe that the "social issues" are "divisive," that "issues of morality and conscience" should be "excluded" from our party's deliberations, and that pressing "traditional family values" is a political loser.

I believe that you are mistaken.

I believe that all politics is an extension of ethics. I believe that politics without conscience is a prescription for tyranny, I believe the issue is not whether we can check our moral convictions at the caucus room door—we can't—but rather what moral convictions will shape our party's platform and policies after a reasonable, civil, and democratic debate.

I'll even take it one step farther: I believe that it is possible to debate the "social issues" in ways that deepen our sense of American community, that contribute to a rebirth of genuine freedom, that revivify in our nation a commitment to individual responsibility in personal and public life—and that win elections.

And let me illustrate that conviction by reference to the most intensely debated, even neuralgic, of the "social issues": the issue of the right-to-life of the unborn.

Twenty years ago, on the day after the Supreme Court handed down *Roe v. Wade*, *The New York Times* wrote that the Court had "ended" the abortion controversy in America. Well, on this, as on so many other things, the *Times* just didn't get it. The abortion controversy isn't over. Moreover—and despite an extraordinary campaign mounted by the prestige press, Hollywood, the Democrats, and feminist groups financed by such dubiously "feminist" organizations as the Playboy Foundation—the American people still do not support abortion on demand. Every poll with which I'm familiar demonstrates that at least 60 percent of the American people reject the resort to abortion as a means of ex-post-facto birth control. Why?

I think there are two reasons why.

First, the American people have a better moral intuition than many members of the American cultural elite. They know that the argument in the abortion debate is not whether the fetus is a human life; that is a medical and biological fact that is beyond reasonable dispute. No reasonable person denies that fetal life is life. And because that fetal life possesses a distinct and unique genetic program, it is a life. Moreover, there is no question that this life is human: allowed to develop, it is not going to turn out to be

a golden retriever. Barring natural disaster (as in miscarriage) or lethal interruption (as in abortion), the fetus will grow up to be what any sane person will recognize as a human child. No, the real issue is what is owed to this indisputable human life.

We cannot get around this, hard as we may try. But why should we try? The moral intuition that another human life is always involved in any decision to abort is the intuition that grounds Americans' rejection of abortion as a means of birth control. If we do anything to further coarsen that instinctive moral sense, it will be a dark and sad day for America: not only for the unborn, but for all those Americans—the elderly and the handicapped, in particular—whose lives might someday be considered "inconvenient."

The American people also sense, intuitively, that *Roe v. Wade* was not a "liberal" decision; it was a reactionary decision. It did not expand the community of those for whom we accept a common responsibility; it drastically narrowed that community, by declaring an entire class of human beings, the unborn, as beyond the pale of our common concern.

The story of America is the story of an ever-widening and more inclusive community of care and mutual responsibility; we freed the slaves, enfranchised women, created social security, got rid of Jim Crow, made our public spaces accessible to the disabled—all in the name of enlarging the boundaries of the community for which we accepted a common responsibility. That was the storyline of America—until *Roe v. Wade*.

Thus the Republican defense of the right-to-life of the unborn is, in truth, an extension of our party's historic and originating commitment to human and civil rights. We cannot abandon that position; but we can certainly do a far more effective job of presenting our case. And by working with the governmental and private agencies, we can dramatically increase the visibility and availability of alternatives to abortion for women caught in the dilemma of unwanted or unplanned pregnancy.

In making our case more effectively, we have to challenge the disinformation campaign that has distorted the abortion debate for over twenty-five years. Americans need to know that ours is the most radical abortion regime in the Western world; no other nation—not even Sweden—has any arrangement like ours, in which abortion-on-demand, at any stage of pregnancy, and for any reason an abortionist is willing to construe as involving maternal "health," is considered a basic constitutional right. Americans need to know that "hard case" abortions—in the circumstances of rape, incest, grave fetal deformity, or direct threat to a mother's physical health—account for only 5 percent of the abortions performed in America today. Americans need to know that abortion is a big business—a \$500 million/year industry, run primarily by men for their own aggrandizement and profit.

But we need more than arguments; we need to give far more visibility to the tremendous network of voluntary care that already exists to provide services to women in crisis. There are 4,000 crisis pregnancy centers in the United States today. What are we doing to make visible these and other alternatives to abortion? What are we doing to strengthen and extend that network of compassion and care, which is so powerful an expression of what is good about America? Is the best that the Republican Party can say to women in crisis, "Sure, go ahead, abort your child and we'll pay for it?"

I am confident that 1992 will increasingly be viewed as an electoral aberration: an election that was out-of-sync with the long-term course of public opinion. That long-term course is steady, and it is set in a conservative direction. The key planks in the platform of modern liberalism—secularism, the therapeutic society, the welfare state, the quota mentality, and moral license—have failed: and they are known to have failed, once you get beyond the fever swamps of New York, Cambridge, Massachusetts, and Hollywood.

Secularism has not answered the great and abiding questions of human life and purpose. The therapeutic society has blossomed side-by-side with an astonishing rise in criminal behavior. The welfare state has destroyed black communities and far too much of the black family. The quota mentality has set Americans against each other in unprecedented and ugly ways. And a decline in personal moral virtue has fed a decline in public moral responsibility.

The future belongs to those who defend economic freedom and growth; personal virtue, self-reliance, and civil responsibility; limited government; and the national security of a country that the overwhelming majority of Americans still believe is well worth defending. Put another way, the future belongs to conservatism. We must stop being ashamed of being thought of as the "conservative" party in America. Conservatism is the future: a conservatism of compassion and conviction, of strength and responsibility, of growth and prosperity.

One of the biggest straw men in this debate is that of the so-called litmus test—no one should have to take a litmus test to attain standing in the Republican Party, and I don't know of anybody requiring one! On the contrary, it is the Democratic Party that demands conformity to their abortion agenda—their radical pro-abortion platform was implemented by their outrageous undemocratic denial of any opportunity to Pennsylvania Governor Bob Casey to address their convention in New York last summer—because he is pro-life and the delegates could not abide hearing his remarks. I'm sure everyone knows the Democrats have unshamefacedly proclaimed a pro-abortion litmus test for any judicial nominee. At our convention in Houston, Lynn Martin, Nancy Johnson, Governor William Weld—all staunch and outspoken advocates of women's right to choose abortion—were prominently featured addressing us. It is axiomatic that any upwardly mobile Democrat must support the abortion ethic or political ostracism will follow. I say that's sad—and I want room in my party for all points of view—but I want the opportunity to debate my beliefs and advocate them freely in the fullest democratic spirit—and that can happen only in our party.

I'm proud to be a Republican. I'm proud of my party—we express the best that is in the American people—it would be a bitter irony, it would be a historic tragedy if some of us decided to change our party to a road-show version of the party that, in my opinion, has lost its way.

THANKING BARBARA CALABRESE GALLO FOR LONG AND DEDICATED SERVICE

Mr. WARNER. Mr. President, I rise today to thank a long-time staff member for almost 14 years of dedicated and loyal service.

Barbara Calabrese Gallo, a native of New Jersey and a graduate of Fairleigh Dickinson University, worked on my first campaign for the U.S. Senate in 1978. Shortly after I came to the Senate in 1979, Barbara became the first Republican woman Doorkeeper of the Senate. In March 1980, I asked Barbara to join my personal staff to handle all of my front office duties—a position that we all recognize as especially challenging. After 3 years, in February 1983, Barbara was promoted and became the legislative staff assistant to my national security assistant. She performed admirably in that position until October 1987, when she joined the staff of the Senate Armed Services Committee, where I served as ranking Republican member. Since then, Barbara has served as staff assistant to the deputy minority staff director of the committee.

Barbara has now accepted a position as a legislative affairs officer with the United States European Command Headquarters located in Stuttgart, Germany, the first civilian employee to occupy this position. This opportunity will allow Barbara to fulfill a longtime dream of living in Europe, and will permit her to be near her daughter, who recently married and relocated to Spain. It will also permit her to be closer to her beloved Italy, the homeland of her ancestors.

Barbara has long been active in Italian-American circles. She has served as trustee of the International Lodge of the Order of the Sons of Italy in America; as vice-chairman of the National Organization of Italian-American Women; and as a member of the National Italian-American Foundation.

Republicans in Virginia will sorely miss Barbara, for she devoted many of her off-duty hours working for Republican campaigns and the Republican Party. In the past, Barbara served as area chairman of the John Dalton for Governor campaign; area chairman of the FRANK WOLF for Congress campaign; Fairfax County coordinator of my first campaign for the Senate; a member of the Fairfax County Republican Club; the president of the Reston Republican Club; a member of the City of Alexandria Republican Committee; and as a volunteer in the Bush for President campaign.

On top of the long hours in the Senate, her activities with the Italian-American Community, and with the Republican Party, Barbara also found time to participate with the Alexandria Volunteer Bureau, the Art Deco Society, and the Little Theater of Alexandria.

Mr. President, I thank Barbara for her 14 years of dedicated service to the U.S. Senate and to this Senator. I wish her all the best in her new position in Europe, and in all her future endeavors.

BTU TAX IS BAD FOR SMALL BUSINESS AND AGRICULTURE

Mr. PRESSLER. Mr. President, the Btu tax is a b-a-d tax—bad for small business, bad for farmers and ranchers, bad for consumers, bad for States like South Dakota, and bad for the international competitiveness of our country. Mr. President, it's just plain bad.

How many other countries impose Btu taxes on their citizens? None. The reasons why are clear. The Btu tax is an administrative nightmare. It is self-defeating. In fact, some European nations dismissed a Btu tax because they feared it would hurt their international competitiveness.

Mr. President, if enacted, the Btu tax would fall directly on small business owners, farmers, and ranchers. Let me explain.

The Btu tax would make our businesses less competitive. This energy tax would increase operating costs for U.S. producers. As a result, our exports would become more expensive and less competitive. Fewer American goods sold abroad translates into less production at home. That means fewer new jobs and slower economic growth. Small businesses—especially those in the early stages of exporting—would be driven home and could be put out of business altogether.

This "Big Tax on 'U'" is estimated to cost our country as many as 610,000 jobs. The Tax Foundation estimates the job loss in my home State of South Dakota alone would be almost 1,200. There is absolutely no way job losses in small businesses can be avoided if the Btu tax is enacted.

Mr. President, over the years, I have found that one often must go beyond the Washington media to determine what the President is really thinking and saying. Take South Dakota as an example. The Sioux Falls Argus Leader, in an article titled "President Backpedals on Btu Tax," recently reported that President Clinton "is rethinking his proposed Btu tax, acknowledging that he didn't realize the impact it would have on the Nation's farmers." Let me repeat: He did not realize the impact his Btu tax would have on the Nation's farmers. How could the Btu tax not hurt farmers? Mr. President, I ask unanimous consent that two Argus Leader articles, together with a statement by the South Dakota Farmers Union, be printed in the RECORD at the conclusion of my remarks.

The Btu tax would be devastating for agriculture. According to South Dakota Agriculture Secretary Jay Swisher, the proposed Btu tax would cost the average farmer between \$2,000 and \$3,000. This tax would mean an 8.3 cents per gallon increase for diesel fuel, 2.3 cents per gallon for propane, 7.5 cents per gallon for gasoline, and a few more cents per kilowatt hour for electricity. This tax would come directly off the

bottom line for our farmers. It could not be passed on to others.

I hope my colleagues in the Senate and in the House—especially those from farm States—will join us in stripping this tax from the administration's tax package. As South Dakotans and other Americans learn more about this plan and the Btu—which some have dubbed "Beyond Tax Understanding"—tax, they are growing increasingly unhappy. My constituents, as well as those of many of my colleagues, are demanding that we reduce the deficit by cutting spending, not raising taxes—especially unfair taxes like the Btu tax.

In addition, Mr. President, this is a tax on consumers and the middle class. Most families pay more for energy indirectly through goods and services than directly in their utility and fuel bills. Once imposed, the Btu tax would be passed on throughout the production chain. Proponents argue that the Btu tax would be hidden from consumers. Consumers may not see this tax, but they would certainly feel it, from the gas station to the grocery store.

The American people should be aware that the looming danger from this type of stealth tax is immense. It attempts to shield the true costs of government spending from the radar screen. If left undetected, it would allow the tax-and-spend ways of Congress to continue. The Btu tax is indexed for inflation and will increase automatically each year.

Even worse, future hikes in the Btu tax above the indexing could easily be pushed through Congress. After all, hidden taxes are easy to increase. How many more tax increases can our economy withstand? Spending cuts are hard to make, but they are absolutely necessary. We must make tough choices.

As Paul Merski, an economist with Citizens for a Sound Economy has said, "For the majority of American families already stretching their budgets, the higher prices, lower wages, and increased danger of job loss associated with President Clinton's proposed Btu tax would mean a tougher struggle to maintain their standard of living. Imposing new taxes of any kind will only drain the energy from working families and the economy." Mr. Merski is absolutely correct.

Mr. President, I cannot think of a single good thing to say about the Btu tax, with the possible exception that it is unique and creative. As I mentioned, no other country in the world imposes such a tax. However, creativity would be better applied to finding ways to cut Government spending—not creating new ways to pick our taxpayers' pockets. Let us focus our attention in that direction. Let us kill the Btu tax before it kills America's economic growth.

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

WIESE SAYS OVER-TAXED FARMERS CAN'T AFFORD BTU TAX

HURON.—South Dakota family farmers are already over-taxed and cannot afford the additional burden of President Bill Clinton's proposed Btu tax, according to Acting Farmers Union President Dennis Wiese.

"South Dakota farmers and ranchers have already been hit with huge increases in property taxes," Wiese said. "We simply cannot afford the additional costs now estimated for the Btu tax."

The South Dakota farm leader cited recent estimates that the Btu tax would reduce net farm income by about \$2,400 per year on a typical 600-acre farm in southeast South Dakota.

"We are already faced with grain prices that are dramatically reduced from a year ago and continuing adverse weather conditions," Wiese said. Wiese noted that the U.S. Department of Agriculture has estimated 1993 net farm income will be \$42 to \$48 billion, down from \$51 billion in 1992. That is a 17 per cent drop in income combined with an estimated 2 per cent increase in farm input costs.

"President Clinton has spoken again and again on the importance of establishing a more progressive tax system and of creating more tax fairness," Wiese said. "There is simply no way that the Btu tax can be reconciled with that philosophy."

"Like all Americans, South Dakota family farmers and ranchers are willing to participate in shared sacrifice to reduce the federal budget deficit," Wiese said. "However, the key word is shared. The Btu tax asks far more sacrifice from agriculture than from other segments of the economy."

Wiese said he is concerned that the media, government and the public are losing their appreciation for the role of family agriculture within the U.S. economy. "We have to change that," he concluded.

[From the Sioux Falls Argus Leader, Apr. 13, 1993]

ENERGY TAX COULD SOAK FARMERS

(By Randy Hascall)

VERMILLION.—President Clinton's proposed energy tax could cost a typical farmer in southeast South Dakota more than \$2,400 a year.

Ron Thaden, Clay County extension agent, said the added cost might force some farmers to quit.

"Eventually, it's going to catch up to them," Thaden said. "I think it will really be serious for a lot of operations. They won't be able to meet costs, and they'll have to quit."

Thaden, South Dakota State University economics professor Don Peterson and Clay-Union Electric Manager Paul Roberts have projected the effect the energy tax would have on a 600-acre farm in Clay County.

The analysis addresses costs for fuel, fertilizer, herbicide, grain drying, utilities, transportation and interest. Clinton's proposal is subject to congressional changes and approval.

Roberts said he believes Clinton wants a fair distribution of taxes, but the energy tax places a heavy burden on farmers.

In addition to increased production costs, farmers could expect lower market prices, Roberts said. He said grain elevators would have to pay higher shipping costs and would pass those expenses on to farmers.

And the analysis doesn't include increases in light bills or irrigation, he said.

The proposed tax is a big concern to Vermillion farmer Robert Gilbertson.

"It's quite an astounding amount," Gilbertson said. "A user tax is tough when your living depends on it."

Gilbertson said he has taken cost-cutting steps in recent years and has reduced tillage.

"We've changed our operation drastically the last five to 10 years," he said. "There's really not an avenue left to change now."

Gilbertson said he can't afford expensive equipment necessary to reduce tillage further.

Extension agent Thaden said that even those farmers who can reduce their tillage would escape only a small portion of the increased costs. Their increase on an acre of corn might be \$5.30 instead of \$5.88, he said.

Thaden said most farmers don't realize how much the tax plan would cost them in its present form. Clinton wants the tax phased in over several years.

Greg Peton, sales manager of Vermillion Fertilizer, said production costs of ammonia would increase, and they'd be passed on to farmers. Depending on the final plan, farmers could pay from \$3.26 to \$16 a ton more for ammonia. An average farmer applies about 50 tons of fertilizer to 300 acres of corn and more than 22 tons to 300 acres of soybeans.

"Farmers would be hit twice and that's just with an energy tax," Peton said. Petroleum products in herbicide would boost those costs and tractor fuel costs also would increase.

Vermillion farmer Mark Nelson said the tax isn't fair.

"We've tried to do our share," Nelson said. "There's such a fine line on farming profit as it is. So many costs are predetermined—herbicide, fertilizer, utilities—that there's not much we can do"

ENERGY TAX IMPACT

This is an estimate of the impact the Clinton administration's proposed fuel tax would have in its third year of phase-in on a typical 600-acre farm in southeast South Dakota.

Cost/acre	Corn	Beans	Alfalfa
Fuel	\$1.21	\$1.00	\$1.59
Fertilizer	\$1.35	\$0.29	\$0.72
Herbicide	\$1.97	\$1.11	\$0.17
Drying	\$0.67	\$1.00	\$0.00
Utilities	\$0.07	\$0.02	\$0.02
Interest	\$3.42	\$0.19	\$0.20
Transportation	\$0.19	\$0.09	\$0.40
Impact/acre	\$5.88	\$2.70	\$3.10
Acres	260	285	55
Impact/crop	\$1,529	\$770	\$171

Source: Don Peterson, SDSU; Ron Thaden Clay County Extension Office; Paul Roberts, Clay-Union Electric. Based on yields of: corn, 100 bu.; soybeans, 40 bu.; hay, 5.0 T.

[From the Sioux Falls (SD) Argus Leader, May 12, 1993]

PRESIDENT BACKPEDALS ON BTU TAX

(By David Kranz)

BENSENVILLE, ILL.—President Clinton said Tuesday that he is rethinking his proposed BTU tax, acknowledging that he didn't realize the impact it would have on the nation's farmers.

South Dakota farmers have called the proposed a killer that taxes energy content of oil, coal and electricity based on energy content. They said it could drive them out of business. State farmers say the price for their crops compared with the cost of production would no longer yield a profit.

It would increase the farmer's cost for gasoline, diesel fuel, heating oil, grease and oil.

Clinton also said he was looking at the Indian gaming issue that has brought some controversy in South Dakota and other states, but made no commitments other than to direct a study of the federal laws that govern what is rapidly increasing economic growth for reservation communities.

He said some regulatory changes may be needed, but gave no indication that he was in favor of curtailing or seriously limiting the activity.

The president made the comments during a press conference with five writers from South Dakota and North Dakota, following a speech on education to 2,000 students and guests at Fenton High School in Bensenville.

"What we need to do is look at all elements of this program . . . so this thing does not fall unevenly on anybody," Clinton said.

A solution that could lighten the impact of the BTU tax according to the president, might be changing the expensing provisions of the tax code.

"We had to do something dramatic early to be serious about reducing the deficit. It not only had to work, but it had to be deemed to be working by the financial community to try to get interest rates down," Clinton said.

Three things were necessary in weighing deficit reduction if it were to have credibility, he said. They included specific spending cuts rather than proposed caps; a reversal of the 1980s, where taxes were lowered on wealthy people and raised on the middle class; third, an energy tax because the United States taxes energy at a lower level than other countries.

But Clinton admits that he is worried about the impact to agriculture.

"Now, I'm very concerned about the farmers. I come from a state with a lot of farmers. This issue never came up in this way, believe it or not, even though we had a lot of people sit around the table from farm states before we put this package together," the president said.

He said the carbon tax on the burning of fossil fuel, which would have an impact on power plants, was discarded because they thought that it was unfair to the coal-producing states. Those from northern areas favored a gas tax because of how high gas taxes are in every other country. That was discarded because of the impact on rural people west of the Mississippi, he said.

Clinton said he thought the BTU tax would benefit the nation's environmental policy most with the broadest base.

"I think the thing that missed everybody's attention was that agriculture was exempt from the other energy taxes, primarily the gas tax. So it came as a full hit on agriculture."

Talks have begun with administration officials and rural state congressional delegations about other avenues to explore in place of the BTU tax, Clinton said.

"I'm committed to the whole congressional delegation from both these states, that we continue to work on it. We are going to try to get it intact without having a big session. We are struggling for a way to help agriculture without just creating an exemption and a tax which might cause it to fall because then you have people from other parts of the country that will be saying, 'Give me an exemption.' The last thing we want to do is accelerate the decline of the family farm."

On the gaming issue, Clinton said Bruce Babbitt, his interior secretary, is evaluating the impact of changes in federal laws on Indian gambling. He said there is some support from governors to limit or eliminate the laws.

"A lot of people are quite unhappy and some governors are very concerned," he said.

"The fear is that, if Indian gaming were broadened, they would have no choice but to open up gaming."

The president said he was inclined toward some legislation by Congress to determine what the balance of forces should be.

"Gambling is not an unmixed blessing because it is rooted in the idea that you can get something for nothing, but you can't. As long as it's confined and it's limited and we are all having a lot of fun and nobody is under any illusion, I don't know that it does too much harm to society. But it can never be the central basis for which you build economic self-sufficiency," Clinton said.

He also said gambling does not communicate the right values.

"Philosophically I don't have much objection to some modest expansion of this, but I don't believe that this can or should be seen as a salvation of the Indian tribes."

Clinton admitted that he didn't have a great knowledge about South and North Dakota, but some of the nation's worries, like health care, have a major impact on this region, and he said he would take care not to let them fall through the cracks because of their small population.

CONCERNING THE PAPERS OF ASSOCIATE JUSTICE THURGOOD MARSHALL

Mr. PRESSLER. Mr. President, I have been watching with great interest the news reports this week concerning our Library of Congress and the papers of the late Justice Thurgood Marshall. Although the debate has focused on what some refer to as the Library's abuse of discretion, I think it is time to remind ourselves of the Library's responsibility to its donors and to researchers.

In the first place, the Library has no real discretion regarding the Justice's papers. What the Library has is a contract with the late Justice that must be honored. Although I can understand and sympathize with those who want to protect the late Justice and the Supreme Court of the United States, I cannot believe that anyone would ask the Library to ignore its duty to Justice Marshall in order to save others from possible embarrassment.

In the stories I have seen in the press, there are many who say that they know what Justice Marshall really wanted when he donated his papers to the Library. Although the anecdotes recounted are interesting, they are hardly proof of the Justice's wishes regarding access to his papers. The Librarian, on the other hand, has provided exhaustive documentary and other evidence of its negotiations with Justice Marshall, as well as the recollections of the Librarian of Congress and two other Library officials who attended the October 1991 meeting at which Justice Marshall agreed to donate his papers to the Library.

Incredibly, a number of the Library's critics also have suggested that Librarian officials should allow only certain types of researchers to have access to the papers. Who would these approved researchers be? The suggestions of critics do not tell us that; rather, they tell us only what they would not be: journalists and lawyers. Can we ask librarians in the Manuscript Reading

Room to decide which citizens will be allowed to consult the papers of Washington, Jefferson, Lincoln, countless former Members of Congress, and Federal judges? Would we in the U.S. Senate approve of our Library making such distinctions? I think not.

I urge my colleagues to think carefully about the issues that have been aired so publicly in the press. This is no time to let our sympathy make us shirk our responsibilities to the right of American citizens to free access to information.

Mr. President, I ask unanimous consent that the following items appear in the RECORD as part of my statement: a factsheet on access to Thurgood Marshall's papers; the instrument of gift whereby Justice Marshall's papers were given to the Library of Congress; a chronology of the accession of Justice Marshall's papers; a summary overview of other Supreme Court papers for which unrestricted access has been permitted; and a statement of the Librarian of Congress yesterday on this entire matter.

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

FACTSHEET—ACCESS TO THURGOOD MARSHALL'S PAPERS

Five different issues are raised by William Coleman and others who urge the closing of access of Marshall's papers.

1. That the Library is not following typical practice in the administration of these papers.

Fact: We have followed typical practice. The typical practice is to confer with donors to determine their wishes, and incorporate those wishes into the instrument of gift. The result of this practice varies, as individuals have stipulated different types of access. (Attachment 1)

2. That unrestricted access to the papers was not the intention of Marshall.

Fact: Marshall agreed to unrestricted access to researchers after his death, and to limited access, with his permission, during his lifetime. He made his intentions clear at his meeting with Billington, Wigdor and Ham; he reviewed the instrument of gift; he made no revisions and returned this document signed. (Attachment 2)

3. That allowing journalists access to the papers is not consonant with the agreement, because journalists are not "researchers or scholars engaged in serious research."

Fact: "Researchers or scholars" are understood to be those who have a specific research project, often leading to publication. Manuscript Division collections are not open to the general public—e.g., undergraduates and tourists just wanting to look at famous documents. Coleman's position "that no journalist can have a serious purpose is simply untenable. (Attachment 3)

4. That open access by researchers and scholars to the Marshall papers will jeopardize LC's ability to collect the private papers of public figures in the future.

Fact: The Library has no choice but to comply with the terms of the agreement. The fact that LC does comply, in this case as scrupulously as in all other cases despite the unwanted publicity it has caused, is in fact the best possible argument for a donor to feel that his or her wishes will be carried to the letter.

5. That Dr. Billington made assurances to Justice Marshall that only scholars would have access to his papers.

Fact: Neither the Librarian nor any other official from the Library made such an assurance.

INSTRUMENT OF GIFT

I, Thurgood Marshall (hereinafter: Donor), hereby give, grant, convey title in and set over to the United States of America for inclusion in the collections of the Library of Congress (hereinafter: Library), and for administration therein by the authorities thereof, a collection of my personal and professional papers, more particularly described on the attached schedule.

I hereby dedicate to the public all rights, including copyrights throughout the world, that I may possess in the Collection.

The papers constituting this gift shall be subject to the conditions hereinafter enumerated:

1. Access. With the exception that the entire Collection shall be at all times be available to the staff of the Library for administrative purposes, access to the Collection during my lifetime is restricted to me and to others only with my written permission. Thereafter, the Collection shall be made available to the public at the discretion of the Library.

2. Use. Use of the materials constituting this gift shall be limited to private study on the premises of the Library by researchers or scholars engaged in serious research.

3. Reproduction. Persons granted access to the Collection may obtain single-copy reproductions of the unpublished writings contained therein.

4. Additions. Such other and related materials as the Donor may from time to time donate to the United States of America for inclusion in the collections of the Library shall be governed by the terms of this Instrument of Gift or such written amendments as may hereafter be agreed upon between the Donor and the Library.

5. Disposal. It is agreed that should any part of the Collection hereinabove described be found to include material which the Librarian deems inappropriate for permanent retention with the Collection or for transfer to other collections in the Library, the Librarian may dispose of those materials in accordance with its procedures for the disposition of materials not needed for the Library's collections.

In witness whereof, I have hereunto set my hand and seal this 24th day of October, 1991, in the city of Washington, DC.

THURGOOD MARSHALL.

Accepted for the United States of America.

JAMES H. BILLINGTON,
The Librarian of Congress.

NOVEMBER 8, 1991.

ACCESSION OF JUSTICE THURGOOD MARSHALL'S PAPERS

CHRONOLOGY

Jan. 29, 1965: First request for Judge Marshall's papers from David Mearns, Chief, Manuscript Division

Feb. 8, 1965: Marshall responds "I have no personal papers. They all remained in the files of the N.A.A.C.P. and the N.A.A.C.P. Legal Defense and Educational Fund, Inc."

Oct. 4, 1977: Another LC Solicitation, from John Broderick, Chief, Manuscript Division says "Mutually acceptable restrictions may, of course, be placed upon the use of a collection."

July 2, 1991: JHB's solicitation after Justice Marshall first announces his retirement

July 22, 1991: Justice Marshall writes JHB "I contemplate leaving my papers to the Library of Congress when I finally retire."

Sept. 4, 1991: JHB writes Marshall thanking him for news of July 22 and inviting him to lunch

Oct. 7, 1991: JHB, D. Wigdor, D. Newman Ham visit Justice Marshall in his chambers. Justice Marshall tells group that his papers will be available with his permission during his lifetime and after his death without restrictions.

Oct. 21, 1991: JHB letter to Marshall forwarding instrument of gift, "we will be happy to discuss any revisions you wish to propose. If it is satisfactory in its current form, simply sign and return. . . ."

Oct. 24, 1991: Justice Marshall signs instrument of gift, with no changes, donating papers to the Library

Dec. 1991-Jan. 1992: Marshall's Papers, initially 147,800 items (eventually 173,700), arrive at Library of Congress

Feb. 27, 1992: JHB letter to Marshall returning the completed Instrument of Gift, thanking him again and saying we "are certain that researchers visiting the Library of Congress to use them through ensuing generations will agree that these papers embody the life and career of an American ceaselessly at work toward his ideal of a just society."

June 3, 1992: Processing begins on Marshall's Papers

June 30, 1992: Hutson letters to Marshall and other justices asking them to review and approve staff essays about their papers for publication in 1991 Acquisitions Report

July 8, 1992: McHale calls Janice Ruth (Manuscript Div) to say Marshall "is pleased with it—no problem—no changes needed"

July 6-15, 1992: Other justices indicate reluctance to Ruth about publication of essays relating to their holdings; Manuscript Division decides not to publish them

Sept. 30, 1992: Processing completed; shortly thereafter, Ham calls McHale to report that papers are ready for use

Jan. 24, 1993: Marshall's death; his papers become available to researchers

Feb. 2, 1993: First researcher uses papers (6 researchers use papers Feb-April; Post researcher begins research May 5)

Feb. 23, 1993: JHB letter to Mrs. Marshall following his attendance at Marshall's funeral, expressing condolences, asking her to visit LC and see how we processed the collection, asking for donation of additional material and enclosing a copy of the Manuscript Div 1991 acquisitions report describing our Marshall holdings

There were no conversations between Library staff and Marshall and his staff between October 7, 1991, and October 21, 1991. The Library staff members who attended the October 7, 1991, meeting with Marshall are very clear that he wanted his papers open to researchers upon his death. We received no requests for access to Justice Marshall's papers during his lifetime. We do not know whether any such requests were directed to the Justice personally.

ACCESS TO THE PAPERS OF SUPREME COURT JUSTICES

COLLECTIONS WITH UNRESTRICTED ACCESS AFTER THE DEATH OF THE JUSTICE

Burton—researchers could have access to his papers during his lifetime with his permission; after death, access became unlimited

Douglas—materials received during his lifetime by the Library where made immediately available to researchers after his

death; additions to the collection received through bequest were available without restrictions after five years

Goldberg—access unrestricted from the moment of receipt on deposit by Library, even during Goldberg's life. Goldberg established an automatic conversion to a gift on the first anniversary of the deposit.

Marshall—access to collection with permission during his lifetime; after his death, open access

COLLECTIONS WITH RESTRICTIONS AFTER THE DEATH OF THE JUSTICE

Black—(donated by heirs, 1973) access to "entire collection" and publication with permission of executors (intent seems more to protect intangible rights that to withhold for other reasons)—access to "files of the Supreme Court. . ." until death or retirement, whichever first, of other participating justices or justices active on Court at time case decided

Brennan—access to "legal files" and "correspondence" with permission of the donor, then unrestricted access after his death—"personal annual review of the team's work" closed during his lifetime & the lifetime of the other justices who participated in the decisions

Frankfurter—access closed for 16 years from the date of "each paper"

Jackson—(donated by heirs in 1984)—access with permission for 5 years after the date of the instrument of gift, then unrestricted access

O'Connor—access with permission during her lifetime, then unrestricted, except for case files which are closed as long as any participating justice continues to serve on the Court

Rutledge—(donated by his wife in 1980)—open immediately upon her gift

Stone—(donated by his wife in 1949)—access with permission of his widow or children between 1949 and 1975, then unrestricted

Warren—while papers were on deposit, access was granted with permission of the Justice; the terms of his will stipulated that the papers would be closed for ten years after his death

White—access with his permission during his lifetime; open "to the public" ten years after his death

STATEMENT BY JAMES H. BILLINGTON, THE LIBRARIAN OF CONGRESS, CONCERNING THE PAPERS OF ASSOCIATE JUSTICE THURGOOD MARSHALL, MAY 26, 1993

We were surprised and distressed by the concerns voiced by the Marshall family, Chief Justice Rehnquist, the Hon. William Coleman, and others over the opening of the papers of the late Thurgood Marshall, Associate Justice of the Supreme Court and a giant figure in the history of the civil rights struggle.

I have met today with the Marshall family, the Chief Justice, and Mr. Coleman to discuss their concerns, review the Library's discussion and correspondence with Justice Marshall, and explain the Library's guiding philosophy on access to its collections.

We have conducted a thorough review of our internal documents and dealings with Justice Marshall. We remain confident that, we are carrying out his exact intentions in opening access to his papers after his death on January 24.

In so doing, we have followed traditional library practice of strict adherence to the donor's explicit instructions. This has been our practice with collections left to the Library by all donors, including twelve other recent justices of the Supreme Court. To do

otherwise is a breach of contract and a violation of the trust placed in the Library by the donor.

Requests in the wake of recent articles to impose additional restrictions on Justice Marshall's papers run counter both to this basic principle of custodianship and to Justice Marshall's expressed intentions to us. We have the greatest sympathy for Chief Justice Rehnquist, Justice Marshall's family, and others who have voiced concern. But the Library must honor the expressed wishes of one of our great jurists. Open access to the papers, as called for in Justice Marshall's instrument of gift, must be maintained.

Crucial to a free and democratic society is open access to information, limited only by formal secrecy classification and by specific restrictions laid down by the donors of papers.

In the case of Justice Marshall, following his death, the use of the papers "is limited to private study on the premises of the Library by researchers or scholars engaged in serious research."

One of the concerns that has been raised is that journalists ought not to be considered researchers. The term "researchers," under Library policy, has always referred to adults working on specific research projects, be they authors, journalists, or lawyers. Justice Marshall was aware that journalists used Library manuscript collections; indeed, during our meeting on his papers in October 1991, he mentioned with approval to me a particular book by a journalist on a fellow Supreme Court justice using his papers in the Library.

All who seek to use the Marshall papers—or any other open papers in the Library's manuscript collection—must register, present a photo I.D., state their names, addresses, institutional affiliations, and their research projects. Casual tourists and high school students are turned away. Undergraduates are normally encouraged to go elsewhere, although any adult may use the Library's general collections.

There has been some confusion over the "discretion" allowed to the Library under the terms of Justice Marshall's Instrument of Gift, signed October 24, 1991. As in the case of other collections, the "discretion" sought and obtained by the Library involved only the technical determination by our archival staff of when the papers were organized and ready for use. It is an abuse of such "discretion" to impose restrictions on access other than those proposed by the donor.

Under the Instrument, his papers were to be made available during his lifetime to researchers "only with my written permission." After his death, "the collection shall be made available to the public at the discretion of the Library."

Justice Marshall was quite clear in his meeting with me and other Library specialists earlier that month that he wanted his papers to be opened upon his death, he and we, of course, did not know when that would be.

Justice Marshall had ample opportunity to add restrictions if he so chose. In my letter of October 21 forwarding the Instrument of Gift to Justice Marshall for his signature, I wrote: "We will be happy to discuss any revisions you wish to propose." He proposed none. He signed the Instrument of Gift with no changes on October 24.

The restrictions placed by Supreme Court justices on access to their papers have varied with the individual. Justice Marshall is not the first Justice to ask that his papers be opened immediately following his death. Associate Justice Burton gave unlimited access

after his death. Associate Justice Douglas permitted major portions of his papers to be made available immediately on his death. Associate Justice Goldberg allowed his papers to be open during his lifetime (but after he left the Court). Justice White's Instrument of Gift allows access to individual researchers with his permission during his lifetime, then no access for ten years. Chief Justice Warren allowed no access to his papers until 1985.

Some have argued that opening Justice Marshall's papers now threatens the privacy of Supreme Court deliberations. The Library does not hold itself above the law; it obeys Federal document classification edicts and follows the restrictions imposed by donors of papers. We have nothing but respect for the Court and its members. But we cannot serve as the Court's watchdog. In the recent past, as is well known, outside the Library of Congress, both journalists and scholars have gained access to Supreme Court documents and produced articles and books on its deliberations. We are surprised to have the Library of Congress called upon to enforce a tradition of confidentiality which the Court itself has yet clearly to establish.

In the case of Justice Marshall, the Library has sought his papers since 1965, even before he was appointed to the court. On July 2, 1991, after Justice Marshall announced his impending retirement, we again wrote him asking him to donate his papers to the Library of Congress.

In a letter on July 22, 1991, Justice Marshall said he was considering the Library's invitation.

On October 7, 1991, David Wigdor, assistant chief of the Manuscript Division, Debra Newman Ham, the Manuscript Division's specialist in African-American history, and I met with Justice Marshall in his chambers. The Justice set the agenda. He was fully in charge and clearly told us to make his papers accessible after his death. There was no extended discussion of various options or restrictions, although we discussed how restricted access would be provided during his lifetime and how security classified materials from his service as Solicitor General would be protected. The Justice accepted a suggestion by David Wigdor that during Marshall's lifetime the papers would be available to researchers with his written permission—a common provision.

On October 21, I sent Justice Marshall an Instrument of Gift, with a covering letter. In that letter I wrote that we would "be happy to discuss any revisions you wish to propose. If it is satisfactory in its current form, simply sign and return both copies to me."

Justice Marshall proposed no revisions. He signed the Instrument of Gift unchanged on October 24 and sent it back to me.

In December, 1991, we began moving Justice Marshall's papers—173,000 items in all—to the Library. Processing them began in June 1992 and was completed last September. On June 30, 1992, we sent a draft to Justice Marshall of an essay describing his papers—an essay destined for the Library's 1991 Acquisitions Report—asking for comments or corrections. On July 8, 1992, his assistant, Janet McHale, called the Library to say that Justice Marshall was pleased with the essay and welcomed its publication which was in effect an invitation to use his papers.

The Library received no requests to use the Marshall papers during the Justice's lifetime. On January 24, 1993, Justice Marshall died, a towering figure mourned by the nation. Dr. Hamm and I were among those who attended the memorial service in the Na-

tional Cathedral. In accordance with his wishes, his papers were opened. (By May 5, when a Washington Post reporter arrived, six researchers had already used the collection.) On February 23, 1993, I wrote to Mrs. Marshall, expressing my sympathy, asking her to visit the Library and the Marshall collection.

Restricting or suspending access to the Marshall papers now would cast doubt on the Library's ability to carry out the instructions of a deceased donor. In the public interest, and in accordance with the expressed intent of one of our great jurists, we cannot in good faith suspend or otherwise restrict access to the Marshall papers as some have requested.

We remain confident that we are complying with Justice Marshall's intentions regarding access to his papers. We are deeply concerned that the language of the Instrument of Gift may have been misunderstood by some. I have therefore directed Library staff to develop language for use in subsequent Instruments to reexamine access policies and ensure that future donor's intentions are not subject to any misinterpretation outside the Library.

We are genuinely sorry that we cannot accommodate the desire of many good people to restrict access to his collection. No desire to do so or countervailing view of Justice Marshall's intentions was communicated to the Library before the press articles. We particularly sympathize with the concerns that have since been expressed to me by the family and by many in the judiciary system about what has appeared in the press.

RELEASE OF PAPERS OF ASSOCIATE JUSTICE THURGOOD MARSHALL

Mr. METZENBAUM. Mr. President, I wish to address briefly the controversy which surrounds the release of the papers of the late Justice Thurgood Marshall.

It is regrettable to me personally that the release of this remarkable and historically important collection has caused a dispute between two parties for whom I have the greatest respect and admiration—the members of the Marshall family and the Librarian of Congress, James Billington.

Mr. Billington and the Library have also come under criticism from both Chief Justice Rehnquist and former Chief Justice Burger. Mr. Billington has been accused of bad judgment and flagrant abuse in this instance. I know Jim Billington to be an historian with an impeccable sense of propriety, and a true dedication to the mission of the Library of Congress. I know his actions to be in good faith, and mindful of the concerns expressed by all parties.

Justice Rehnquist and former Justice Burger also contend that making available Justice Marshall's papers at this point in time causes serious damage to the Court and somehow violates the confidentiality of the deliberations. On that point, I take issue with the critics. Indeed, in the cases of Justices Burton, Douglas, and Goldberg, access to their papers was granted immediately upon their deaths. In Gold-

berg's case, access was unrestricted even during his lifetime.

And, in fact, I believe the Marshall papers reflect well upon the High Court and its Justices. The reports I have read based on the papers inspire confidence in the serious and thoughtful deliberations undertaken by members of the Court and its clerks. They show the Justices to be human beings with strong opinions, great intellect, good humor, and an admirable work ethic. It is my opinion that Americans reading the contents of these papers will come away with a great sense of pride in the highest court in our judicial system.

Any documents which can bring about that result are clearly a benefit to the public interest.

Moreover, in an era in which many of the great public figures of our time have been tarnished by historians and revisionists, the papers serve to reinforce the legacy of one of the true giants of this century—Thurgood Marshall. His private writings do nothing but enhance his stature as a voice for the less fortunate, and as a fighter for social justice. His papers remind me how badly he is missed.

TRIBUTE TO KENNETH S. APFEL, ASSISTANT SECRETARY OF MANAGEMENT AND BUDGET AT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. BRADLEY. Mr. President, I rise today to offer my congratulations to Ken Apfel, who was sworn in yesterday as the Assistant Secretary for Management and Budget at the Department of Health and Human Services. I cannot imagine a better choice than Ken to serve President Clinton and the people of this country in that position.

Ken Apfel began his career in the Senate as a staff member of the Senate Budget Committee in 1980. He joined my office in 1982, and as a legislative assistant, and, later, as legislative director, played a key role in shaping legislation in many areas of social policy, including infant mortality, home and community care for the elderly and disabled, welfare reform, child support enforcement, and education.

But, Mr. President, Ken's contributions to my office and this body extend well beyond these initiatives. He has command of the academic literature in terms of social and health policy. He has encyclopedic knowledge of the budget and budget process. He has a sensitive awareness of how laws are passed and how human that process is. He understands how important it is to have relationships of confidence and trust, even with those you may disagree with. And with his pragmatism, genuineness, and keen political judgment, he has engendered trust and respect throughout this institution.

Mr. President, I believe this country is lucky to have Ken Apfel serving in

this administration. He is someone who truly embodies the term public servant—someone who derives deep satisfaction from being involved with serving the public through actions of government; from doing something that improves the quality of life for people in this country. He is very dedicated to this mission.

In summary, Mr. President, we will miss Ken—his warmth and good humor, his steadiness, his unerring judgment. But my loss is truly the country's gain. I congratulate Ken, Caroline, Derek, and Dana, and wish them well on their new journey.

BILL ALLEY, EXCEPTIONAL VERMONT

Mr. LEAHY. Mr. President, one of the advantages of representing a small State is that you get to know so many of the people who make our State special.

I first met Bill Alley on an airplane flying back to Vermont from Washington, and have had the chance of talking with him on numerous occasions, and seeing the results of his genius ranging from artificial limbs to some of the most beautiful fly rods anywhere.

Recently he was profiled by a local newspaper and I ask to include that in the CONGRESSIONAL RECORD so other Senators and those who read the RECORD will know of the kind of exceptional people we have in Vermont.

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

[From the Free Press, May 17, 1993]

WHETHER THROWING AROUND A JAVELIN OR IDEAS, INVENTOR PUTS OUT OLYMPIC-SIZE EFFORT

(By Andrea Zentz)

A former U.S. Olympian is finding challenges in the world of entrepreneurship as an inventor.

Bill Alley, 56, a member of the 1960 U.S. Olympic Team, doesn't like to dwell on the past. With some prodding, he'll admit, "OK, I was a three-time all-American and set a world record in javelin in track and field." And he is still running strong. But it's not a track that he's traversing. It's the competitive world of business that challenges him. It is the adventure of tomorrow that piques his creative juices.

Ask Alley about the future, and he perks up. He clearly has his sights set on tomorrow.

And why not? As his late father, Francis Alley, told him, "If what you did yesterday seems great, you haven't done much today."

The advice seems to have a grip on Alley. His life has been punctuated with accomplishments.

The Stowe resident, who was Vermont's Businessman of the Year in 1976, has a portfolio of inventions that includes a blood pump used in kidney dialysis machines, an artificial heart, an arrow shaft that set the world record in distance in the mid-'70s, a wind gauge used in Olympic Games since 1968, a giant Polaroid camera, carbon fiber tennis rackets and ski poles. He even invented a graphite bicycle used in the 1975

Olympics, a gaggle of fishing fly rods, a drive shaft and airplane landing gear.

He uses carbon fiber, a lightweight but sturdy material, for most of his inventions. He also uses good old common sense.

He says that he often gets his ideas from the strangest places. For example, take the time he tried designing a fly rod for the president of Union Carbide. He had difficulty with the design and found the solution in a dream. He is never at a loss for ideas.

But Alley tries to remain inconspicuous about his projects and the tedious process of turning theory into reality. He is a quiet mover.

Trish Alley says her husband does not like to draw attention to himself, but he finds a lot of satisfaction in his work.

"I think it's because when he was an athlete, a lot of people wanted to be associated with him because of the things he did, not because of who he is," she said.

Much of his professional inspiration comes from family. Alley takes his father's advice seriously and still is setting goals. "I've always had this desire to make a contribution to medicine," he said. "I'd like to help young people become more mobile through the development of artificial arms and legs."

John Fago of Bethel is the latest beneficiary of Alley's artificial limbs.

"It was the first time since I lost my leg that I didn't need to use a cane, that the leg was really working for me," said Fago, who supplies prostheses to people throughout the world.

Fago can't laud Alley with enough accolades. "He took stuff he learned in redesigning the javelin, fishing poles, truck springs and applied it to a specific problem. . . . He loves a problem. You can tell he's someone who has solved an awful lot of them in his life."

Alley, who has schooling in orthopedic surgery and mechanical engineering, said his academic background nurtured his interest in helping people become mobile. He became attracted to the idea when he was an athlete visiting children's hospitals. His athletic career opened doors, getting him past the "who are you?" hurdles, he said.

"He's a genius when it comes to inventions," said Garry Michaud of Research Engineering. "It's just something working for the guy because he can think up anything and we get to make it, and it's fun."

Michaud said Alley requires perfection and gets it because of the way he treats his eight employees at Research Engineering in Morrisville. Alley also employs two other people at The Fly Rod Shop in Stowe.

"He takes every individual who works for him and he tries to instill in them a little pride," Michaud said.

Alley moved from New Jersey to Vermont in 1969 to start a business. He selected New England because he said business startup costs are lower. "It was an area where you could work hard, and the results of your work would show, whereas in a more populated area you'd be competing with anybody and everybody."

The self-made entrepreneur says the secret to his success is good timing and hard work.

"I think that's part of how people get ahead . . . because you walk the extra mile."

Taking that incremental step to business perfection is nowhere more apparent than with his latest inventions. He's building a machine to assemble a miniature part for a hearing aid that will eliminate background noises. He also just designed a walking stick that transfers vibrations from the stick to the fingers of visually impaired people.

THE ALLEY FILE

Name: Bill Alley
 Age: 56
 Occupation: inventor
 Education: master's degree in mechanical engineering, 1961, University of Kansas
 Family: wife, Trish Alley; a daughter and a son
 Hobbies: sailing, traveling, flying model airplanes, collecting grandfather clocks, building wood furniture

REGARDING AMENDMENT NO. 375

Mr. MCCAIN. Mr. President, I would like to elaborate on a discussion the distinguished manager of the bill for the majority and I had regarding my amendment, No. 375, which would prohibit Members from using campaign funds for inherently personal purposes. As I previously noted, the amendment prohibits Members from using campaign contributions for such things as home mortgage loans, rental of living quarters, clothing purchases, noncampaign automobile expenses, country club memberships, and vacations or other trips which are not directly related to the campaign.

The senior Senator from Oklahoma inquired as to whether the term "campaign expense" might include the use of excess campaign funds to enable spouses to accompany certain public events, although the event may not be within the 2-year election cycle?

As I indicated, I believe that when people elect a Member of Congress, they are also electing a spouse, because they are really part of a team. Therefore, I agree with my friend that it would not be inappropriate for campaign funds to be used to enable a spouse to attend certain public events, such as a fundraiser or otherwise campaign-related, even though such an event might not be within the 2-year election cycle.

I want to emphasize, however, that campaign funds could not be used in the kind of abusive manner previously cited, by either the Member or their spouse for vacations or foreign travel, for example. While some Members may be able to contrive a contorted explanation why \$327 for dinner in Paris is a campaign expense, I don't think the American people would buy it, and my amendment would not permit it.

My friend also inquired as to whether excess campaign funds could be used for such items as donuts and juice for constituents when they visit a Member's office or for condolence flowers sent to a constituent. While I believe that these are legitimate expenses and within a Member's official responsibilities, thus allowing the use of appropriated funds, nominal expenses such as these for the benefit of constituents would not be prohibited by the amendment.

On the other hand, buying gifts for constituents of more than de minimus value would clearly be impermissible,

even though the purchase of such gifts with campaign funds would not inure directly to the personal benefit of the Member. In addition, gifts for friends or relatives are not legitimate and bona fide campaign expenses.

Mr. President, I also wish to clarify the amendment's scope with respect to other items which some Members have sought to use campaign funds on—items which are not in any gray area and which clearly do not constitute legitimate and bona fide campaign purposes or which are for an inherently personal purpose.

In particular, clothing purchases would not be permitted by the amendment. This includes suits, shoes, shirts, ties, bow ties, and tuxedos. Now some might argue that they must wear suits while campaigning, or that they must wear tuxedos to certain black-tie events. While this may be certainly true, it does not address the issue. Many, many Americans must wear suits every day to work, or must purchase or rent evening wear to attend formal occasions, and they do so out of their hard-earned income. Clothing is inherently personal in nature.

Similarly, campaign funds may not be used for country club memberships, or tennis clubs, or health and fitness clubs, or social clubs. Again, these are inherently personal in nature. The fact that a Member may wish to entertain prospective donors at a club does not change the analysis. Such persons may be entertained at public sites, such as restaurants or hotels. Space at a country club may even be rented for a campaign event. But my amendment would not permit campaign funds to be used for personal membership at such institutions.

One area in which there might be some shades of gray is the use of campaign funds on automobiles. For those Members who do not maintain a home in their home State, the use of an automobile for transportation during a campaign cycle would not be inappropriate. Obviously, reasonable limits must be applied. As a general matter, automobile expenses on the order of \$20,000 for a 2-year election cycle would be a legitimate and bona fide campaign expense. This would easily permit the lease of a relatively expensive American made car for a 2-year period.

The bottom line, Mr. President, is that Members are already paid an amount which is in the top 1 percent of incomes in the United States, and which clearly allows them to lead a very comfortable life. Moreover, we are already entitled to numerous perquisites which dramatically inflate the overall value of our compensation. We should not, then, be entitled to use the contributions that are given for the purpose of electing us to serve our constituents as a personal slush fund. Any contributed funds that are not used for legitimate and bona fide campaign pur-

poses should be returned to contributors.

If we are to convince the American people that we are serious about cleaning up the campaign finance system, we need to start with our own campaigns. The American people will expect, and deserve, nothing less.

SENATOR MCCAIN'S COMMENCEMENT ADDRESS TO THE U.S. NAVAL ACADEMY CLASS OF 1993

Mr. GRAMM. Mr. President, yesterday in Annapolis our colleague, JOHN MCCAIN, gave one of the greatest commencement addresses that I have ever read. It is a very moving and powerful address. I thought that our colleagues and the Nation would like to read this address.

I ask unanimous consent that it appear in the RECORD as if given in morning business.

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

ADDRESS BY SENATOR JOHN MCCAIN TO THE U.S. NAVAL ACADEMY CLASS OF 1993, MAY 26, 1993

Thank you, Admiral Lynch, Secretary Dalton, Admiral Kelso, General Mundy, members of the Board of Visitors, members of Congress, fellow midshipmen of the Class of 1993, distinguished guests, families, and friends. And thank you, midshipmen of the Class of 1993.

To say that I am very grateful to be asked to address you is a gross understatement. In my life, I have never known a greater honor . . . nor one so unexpected.

Thirty-five years ago, I sat where you sit today, listening to my Commander-in-Chief, Dwight David Eisenhower. If one of my classmates had suggested then, that I might someday enjoy the same privilege as President Eisenhower, I would have had very grave doubts about his suitability for future command. My old company commander, Captain Hunt, who for four years devoted himself to tracking my nocturnal sojourns outside the walls of the Academy, would have certainly shared my skepticism.

But America is a land of opportunity where *anything* is possible. And my being given this honor proves it. In gratitude, and in memory of that occasion thirty-five years ago, I intend to keep my remarks brief. I suspect you have other plans for the day which you would prefer to commence sooner rather than later.

You have all completed four years of rigorous, difficult instruction, and are about to begin your careers as officers in the United States Navy and Marine Corps. I want to first congratulate all those midshipmen who distinguished themselves as leaders of your class.

Those of you who do not enjoy that distinction deserve congratulations as well. Although academic and other honors may have eluded you, the standards here are such that simply surviving the four years reflects great credit on your ability and dedication. I say that with all sincerity.

My four years here were not notable for individual academic achievement but, rather, for the impressive catalogue of demerits which I managed to accumulate. By my reckoning, at the end of my second class

year, I had marched enough extra duty to take me to Baltimore and back seventeen times—which, if not a record, certainly ranks somewhere very near the top.

All of you represent as a class the very best of America's most precious resource—her youth. You have been educated in a tradition which I believe still ranks among the noblest endeavors of humankind. You have been imbued with a sense of duty and honor which is the American ideal, and the premise for much of our enduring legacy to the world.

In 1970, my father stood where I stand today. I would have greatly enjoyed attending that graduation had I not been otherwise engaged at the time. I imagine, however, that he told you in different words what I will tell you today: on your shoulders, America now places our most treasured hopes and our gravest cares.

With your commissions come responsibilities so immense and so important that the lives of all Americans and the welfare of much of the world will be directly affected by how well you discharge them. I have every confidence that you will acquit yourselves with distinction.

My confidence is not an empty conceit for how I first made my own way in the world. But it is rooted in my experiences as the progeny of admirals, as an Academy midshipman, as a naval officer, as a witness to heroism.

My grandfather was an aviator. My father, a submariner. Most of my heroes, the people whom I have admired above all others have made their living at sea in defense of their country's cause. For much of my life, the Navy was the only world I knew. It is still the world I know best and love most.

I know the character of Americans who take up arms to defend our nation's interests and to advance our democratic values. I know of all the battles, all the grim tests of courage and character, that have made a legend of the Navy and Marine Corps' devotion to duty.

When he addressed the Class of 1970, my father, who knew well the price of freedom, observed the noble heritage which the midshipmen were entering by directing their attention to the sacrifices borne by their predecessors.

"The historic battles in which they fought are recorded on both sides of this beautiful stadium," he said.

"Their names are memorialized on plaques on the back of seats now occupied by your families and friends. These officers were imbued with a sense of loyalty and dedication which scorns vacillation and doubt."

I know that the character of which my father spoke is formed from many experiences. But I know also that you here today have been inducted into a tradition where you are expected to hold to the highest standards of honor in every aspect of your life. That is your advantage over other men and women. And that is why your country expects so much of you.

You have been taught much of what is necessary to lead other men and women in war and peace. You will learn much more from your approaching experiences. As ensigns and second lieutenants, the character of the young sailors and marines entrusted to your care will be formed in large part by their appreciation of your character.

You are where leadership begins. You are the models who stand just past the sergeants and chiefs, and those under your command will derive from your behavior the direction of their own lives. Their firm respect for you,

on which their lives and our security will depend, will be determined by how faithfully you keep, on duty and off, the code you learned here.

This responsibility is yours for every waking minute of every day that you wear an officer's uniform. When you forget your duty, others will suffer, but you will be called to account. If you dishonor yourself, you will dishonor your service.

In other walks of life, human failings may pass unnoticed. In our walk of life, their consequences are almost always devastating.

They may lead to the breakdown of good order and discipline because you disillusioned those who were inclined to follow your example. They may lead to the death of fine young men and women who were obliged to put their faith in your leadership. They may even threaten the trust of the people you are sworn to defend, and undermine the exquisite relationship between civilians and the military in a democratic society.

Such was the case in the recent Tailhook scandal. Such is also the case, when we forget, even momentarily, our requirement to respect and obey our civilian commanders. When the American people elect a leader to govern the affairs of our great nation, our respect for their authority must remain inviolate. For it is that respect from which our profession derives so much of its nobility in a democracy.

Your commanders and instructors have worked hard to impart these lessons to you. Your constant remembrance of them will sustain you through long months at sea, long separations from family and friends; through the terror of combat, through grave injury, cruel imprisonment and even, if so required, unto death.

You know as well as I, that the world in which you take your commissions is an uncertain one. I have always tried to follow the advice of that venerable philosopher Yogi Berra, who said "I never make predictions, especially when they're about the future." But there are a few things I can venture an opinion on with some degree of confidence.

With the collapse of the Soviet Union and Warsaw Pact, we have overcome a single massive threat to our security—a massive threat, but a reasonably predictable one. But the world remains a dangerous place. And you will sail into a world where the threats to our security and our values are more numerous, more varied, more complex, and, at times, much more obscure.

Yours is a world where power projection must become the essence of our national defense. The Navy and the Marine Corps will form the core of that strategy. The United States has exerted military force 240 times since the end of World War II. Eighty percent of those occasions involved the use of sea power. That percentage will almost certainly increase in the future.

We have seen the efficacy of U.S. military power in this new era displayed in Panama, in the Persian Gulf, and in Somalia. But we have also seen conflicts that reveal the limits of that efficacy, and for which we have few, if any, viable military answers. Such is the case in the horribly tragedy of Bosnia.

This will be a difficult world to stabilize, much less pacify. It will be difficult to anticipate the level and direction of threats. It will be difficult at times to distinguish friend from foe. It is a daunting challenge to protect our most vital interests in such a world. It will prove even more difficult to secure the success of liberty amidst the new uncertainties and recurring hostilities of our time.

But be assured, you will be called upon to do both. For we know how important our armed forces have been to advancing the just influence of our values. The Iron Curtain did not collapse by accident. The triumph of freedom in the world today is a direct consequence of the blood shed by those who have gone before you in battles too numerous to mention. Their sacrifices protected more than a narrow definition of our national interest. They served, in Lincoln's words, as "a beacon light of liberty" to the most oppressive societies on earth.

One of the most compelling illustrations of the power of their sacrifice occurred four years ago in a Prague square, when a young Czech worker stood before a million of his countrymen, while two hundred thousand Russian troops occupied his country, and, trembling with emotion, read a manifesto that declared a new day for the peoples of Eastern Europe. But he began that new day with borrowed words when he proclaimed:

"We hold these truths to be self-evident: that all men are created equal and endowed by their Creator with certain unalienable rights, among these life, liberty and the pursuit of happiness."

Now, you are the shield behind which marches the enduring message of our own revolution. As I have said, it will be no easy task. But I trust in your willingness and your ability to undertake it.

I hold that trust in deference to my memories of this place, to the men who preceded me here, and to the men and women who followed me. We all shared with you that sense of duty and honor which, as my father said, scorns vacillation and doubt. Here we learned to dread dishonor above all other temptations.

Soon after I became an involuntary guest of the Democratic Republic of Vietnam, my hosts tried to persuade me to make a tape recording in which I would denounce my country's cause. When I resisted, they entreated me to do so by promising me that no one would know of my disloyalty. I responded, "But I would know. I would know." Virtually all of my comrades who shared my situation responded in the same way.

There may be times in your life when the consequences of your devotion to duty are so dire that you will be tempted to abandon them. There may be times when truly only you will know. But you will resist. I know you will. I know this because I have seen how profoundly human strength is empowered by the standards of our tradition.

You see, I have spent time in the company of heroes. And I was raised on tales of surpassing courage and selfless devotion to duty. I have seen and heard of Americans who overcame extraordinary challenges on behalf of their country in struggles almost mythic in their dimensions.

I have seen aviators hurled off the decks of pitching ships, fly powerfully into grave harm, vastly beyond the bounds of normal human caution.

I know well the gunners' stories of having choked back horror to face bravely the attacking kamikaze.

I have heard the tales of men, fathoms down, blind to the rest of the world, prowling the treacherous battlefields of the ocean depths in combat so terrifying it passes much of human understanding.

I stood on the deck of the carrier Forrestal, and watched the crew of that magnificent ship answer their summons to heroism, as one hundred and thirty four of their number perished while fighting a fire that nearly consumed the ship. They fought all day and

well into the next, with the tenacity usually reserved for hand to hand combat, and they saved the Forrestal.

I have seen the swift boats roar into harm's way, vulnerable even to small arms fire, and defenseless save for the quick instincts and steel nerves of their crews.

As an adolescent, I heard men talk in whispered awe of a bleak, frozen terrain where the Marines of the First Division had struggled yard by yard, endured the sharp bite of Siberian winds to smash through seven enemy divisions. Their determined ferocity ranked their retreat from the frozen Chosin in the first order of honored American battles.

I have met the fierce warriors called SEALS, whose desperate fights occur beyond the reach of their nation's artillery, and beyond the limit of human endurance.

I have watched men suffer the anguish of imprisonment, defy appalling human cruelty until further resistance is impossible, break for a moment, then recover inhuman strength to defy their enemies once more.

All these things and more, I have seen. And so will you. I will go to my grave in gratitude to my Creator for allowing me to stand witness to such courage and honor. And so will you.

My time is slipping by. Yours is fast approaching. You will know where your duty lies. You will know.

God bless you. Semper Fi. Fair winds and following seas.

SOUTH AFRICA

Mrs. KASSEBAUM. Mr. President, I rise today to express my strong support for the dramatic changes taking place in South Africa. That troubled country is entering a historic and critical period in its history, one fraught with many dangers and yet unprecedented opportunities.

Next week, 26 parties—including the South African Government, the African National Congress, and Inkatha—will meet to try and reach agreement on the formation of a Transitional Executive Council. This council will govern the country until multiparty, democratic elections are held next year.

If the negotiation process succeeds, I believe that the international community must step forward and offer strong support for South Africa. This is an unique opportunity to assist at a crucial moment in South African history.

Upon the formation of the transitional, multiracial government, the United States should lead the way with five immediate actions:

First, we should repeal all remaining Federal economic and financial sanctions. This would coincide with the call of the African National Congress to lift these restrictions.

Second, State and local governments should terminate their sanctions. These sanctions have inhibited the flow of American investment and trade into South Africa.

As most South Africans realize, the political future of the country is closely intertwined with the economic situation. The South African economy is in

dire straits. Unemployment exceeds 40 percent. At the same time, expectations for the new government will be very high. For this reason, it is essential that South Africa reenter the international economy. Investment flows and expanded trade links will generate jobs and help meet the soaring expectations for the new government.

Third, to help the economy, the U.S. Government should aggressively support expanded American business in South Africa through export and investment promotion activities, including Eximbank, OPIC, and the Trade and Development Program.

Fourth, the United States should continue assistance to nongovernmental organizations working in South Africa. Of critical importance are efforts to prepare for elections and put an end to the violence in South Africa.

Finally, the role of multilateral institutions is crucial during this transitional phase. I urge the World Bank particularly to reenter South Africa as soon as possible.

Mr. President, far too often we focus on foreign policy crises—places where starvation is rampant, war has broken out, people are dying in large numbers. I, for one, strongly believe we should spend more time and effort on preventing crises.

South Africa is at a crucial turning point. The country could degenerate into chaos. Undemocratic forces on the right and left are trying to derail the negotiation process. Growing political violence and terrorism threaten the stability of the country.

Alternatively South Africa could proceed down a path which leads to a historic transition to a peaceful, stable, and democratic future. The success of this transition is critical not only for South Africans, but for the stability and development of much of the African Continent.

Mr. President, now is the time to act in support of peaceful and democratic change in South Africa.

UNCLAIMED DEPOSITS AMENDMENTS ACT OF 1993

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 33, H.R. 890, the Unclaimed Deposits Amendments Act of 1993.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 890) to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the procedures for treating unclaimed insured deposits, and for other purposes.

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

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

AMENDMENT NO. 387

(Purpose: To amend the Federal Deposit Insurance Act to improve the procedures for treating unclaimed insured deposits, and for other purposes)

Mr. MITCHELL. Mr. President, I send an amendment by Senators RIEGLE and D'AMATO 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 Maine [Mr. MITCHELL] for Mr. RIEGLE, for himself, Mr. D'AMATO and Mr. KERRY, proposes an amendment numbered 387.

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

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

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. AMENDMENTS RELATING TO TREATMENT OF UNCLAIMED DEPOSITS AT INSURED BANKS AND SAVINGS ASSOCIATIONS.

Subsection (e) of section 12 of the Federal Deposit Insurance Act (12 U.S.C. 1822(e)) is amended to read as follows:

"(e) DISPOSITION OF UNCLAIMED DEPOSITS.—

"(1) NOTICES.—

"(A) FIRST NOTICE.—Within 30 days after the initiation of the payment of insured deposits under section 11(f), the Corporation shall provide written notice to all insured depositors that they must claim their deposit from the Corporation, or if the deposit has been transferred to another institution, from the transferee institution.

"(B) SECOND NOTICE.—A second notice containing this information shall be mailed by the Corporation to all insured depositors who have not responded to the first notice, 15 months after the Corporation initiates such payment of insured depositors.

"(C) ADDRESS.—The notices shall be mailed to the last known address of the depositor appearing on the records of the insured depository institution in default.

"(2) TRANSFER TO APPROPRIATE STATE.—If an insured depositor fails to make a claim for his, her, or its insured or transferred deposit within 18 months after the Corporation initiates the payment of insured deposits under section 11(f)—

"(A) any transferee institution shall refund the deposit to the Corporation, and all rights of the depositor against the transferee institution shall be barred; and

"(B) with the exception of United States deposits, the Corporation shall deliver the deposit to the custody of the appropriate State as unclaimed property, unless the appropriate State declines to accept custody. Upon delivery to the appropriate State, all rights of the depositor against the Corporation with respect to the deposit shall be barred and the Corporation shall be deemed to have made payment to the depositor for purposes of section 11(g)(1).

"(3) REFUSAL OF APPROPRIATE STATE TO ACCEPT CUSTODY.—If the appropriate State declines to accept custody of the deposit tendered pursuant to paragraph (2)(B), the deposit shall not be delivered to any State, and the insured depositor shall claim the deposit from the Corporation before the receivership is terminated, or all rights of the depositor with respect to such deposit shall be barred.

"(4) TREATMENT OF UNITED STATES DEPOSITS.—If the deposit is a United States deposit

it shall be delivered to the Secretary of the Treasury for deposit in the general fund of the Treasury. Upon delivery to the Secretary of the Treasury, all rights of the depositor against the Corporation with respect to the deposit shall be barred and the Corporation shall be deemed to have made payment to the depositor for purposes of section 11(g)(1).

"(5) REVERSION.—If a depositor does not claim the deposit delivered to the custody of the appropriate State pursuant to paragraph (2)(B) within 10 years of the date of delivery, the deposit shall be immediately refunded to the Corporation and become its property. All rights of the depositor against the appropriate State with respect to such deposit shall be barred as of the date of the refund to the Corporation.

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'transferee institution' means the insured depository institution in which the Corporation has made available a transferred deposit pursuant to section 11(f)(1);

"(B) the term 'appropriate State' means the State to which notice was mailed under paragraph (1)(C), except that if the notice was not mailed to an address that is within a State it shall mean the State in which the depository institution in default has its main office; and

"(C) the term 'United States deposit' means an insured or transferred deposit for which the deposit records of the depository institution in default disclose that title to the deposit is held by the United States, any department, agency, or instrumentality of the Federal Government, or any officer or employee thereof in such person's official capacity."

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by section 1 of this Act shall only apply with respect to institutions for which the Corporation has initiated the payment of insured deposits under section 11(f) of the Federal Deposit Insurance Act after the date of enactment of this Act.

(b) SPECIAL RULE FOR RECEIVERSHIPS IN PROGRESS.—Section 12(e) of the Federal Deposit Insurance Act as in effect on the day before the date of enactment of this Act shall apply with respect to insured deposits in depository institutions for which the Corporation was first appointed receiver during the period between January 1, 1989 and the date of enactment of this Act, except that such section 12(e) shall not bar any claim made against the Corporation by an insured depositor for an insured or transferred deposit, so long as such claim is made prior to the termination of the receivership.

(c) INFORMATION TO STATES.—Within 120 days after the date of enactment of this Act, the Corporation shall provide, at the request of and for the sole use of any State, the name and last known address of any insured depositor (as shown on the records of the institution in default) eligible to make a claim against the Corporation solely due to the operation of subsection (b) of this section.

(d) DEFINITION.—For purposes of this section, the term "Corporation" means the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, or the Federal Savings and Loan Insurance Corporation, as appropriate.

Amend the title so as to read: "An Act to amend the Federal Deposit Insurance Act to improve the procedures for treating unclaimed insured deposits, and for other purposes."

Mr. RIEGLE. Mr. President, this amendment enables depositors who

may have inadvertently surrendered their rights to their insured deposits, particularly longer term certificates of deposits, to have a reasonable time period to make claims to receive their money. Additionally, the bill will get the States involved in locating depositors who have not claimed their money. The House has previously passed similar legislation on this matter and the expectation is that the House would accept this bill if passed by the Senate. I would urge the Senate to pass this bill.

I ask unanimous consent that a section-by-section summary be printed in the RECORD.

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

SECTION-BY-SECTION SUMMARY—UNCLAIMED DEPOSITS BILL

Section 1. Procedure for Unclaimed Deposits

Under current law, after a depository institution fails, the FDIC or RTC mails a notice to all insured depositors that they must claim their deposit within 18 months. If the deposit is not claimed, it is forfeited to the FDIC or RTC, and the depositor can never recover his or her funds.

The bill provides a new procedure, as follows:

1. The FDIC and RTC are required to mail a notice to all insured depositors within 30 days after the agency begins the process of paying off depositors.

2. After 15 months the FDIC and RTC have to send a second notice to depositors who have not yet claimed their deposit.

3. After 18 months, unclaimed deposits are transferred to the State of the depositor's last known address, or if the address was outside of the U.S., to the state in which the failed institution had its main office.

4. The states may keep the deposit for 10 years. If the depositor is not found after 10 years, the States must refund the unclaimed funds back to the FCIC.

5. If a state refuses to accept a deposit under this procedure, the unclaimed deposit may be claimed from the FDIC beyond the 18 month period, but only until the failed institution is finally resolved and the receivership is terminated.

6. In all cases, unclaimed deposits belonging to the U.S. or any agency or instrumentality of the U.S. are given back to the Treasury.

Section 2. Effective Date and Transition Rule

The changes made by this bill are prospective only. Therefore the new procedures only apply to institutions placed into receivership after the date of enactment.

Depositors in institutions that are in receivership on the date of enactment are given extra time to claim their deposits. These individuals may claim their deposits until the receivership finally terminates, even though this will be longer than 18 months.

The FDIC and RTC are required to provide the States the names and addresses of any insured depositor eligible to make a claim under this transition rule, so that the states can help locate these individuals.

Mr. D'AMATO. Mr. President, today I am joining with Senators RIEGLE and KERRY in sponsoring an amendment, in the nature of a substitute, to H.R. 890. This amendment will provide addi-

tional protection to insured depositors of banks and savings association that have failed and been taken over by the FDIC or RTC.

Under current law, when a bank or savings association fails, insured depositors are given only 18 months to claim their deposit. If they do not act within that time limit, their deposit is forfeited to the FDIC or RTC. There is no recourse for the depositor who fails to make a claim within this 18-month period. Thus, even though a depositor may have been sick, incapacitated, or out of the country, their money is lost once this 18-month period expires.

This amendment provides protection for all depositors against this heavy handed treatment. Under this legislation, the FDIC or RTC is required to send two notices to all depositors that they must claim their deposit. The first notice is sent 30 days after the FDIC or RTC begins to payoff insured depositors. A second notice is required after 15 months. If the depositor still does not claim his or her deposit, the FDIC or RTC is required to offer the deposit to the State of the depositor's last known address, to be held by that State for 10 years. During this 10-year period the State will try and locate the depositor and return his or her funds. If, after 10 years the depositor still cannot be located, the money will be returned to the FDIC.

A slightly different procedure applies for institutions that have failed before the bill takes effect, and that are still under FDIC or RTC control. For these institutions the 18 month cutoff date is waived, and depositors will be able to recover their deposits until the institution is totally resolved and the receivership terminated. This could easily take 2 to 4 years, depending upon the complexity of the takeover.

Mr. President, this amendment provides fair treatment for innocent depositors who otherwise could lose thousands of dollars through no fault of their own. I hope that the Senate will approve this legislation, and that we can see it enacted into law in the near future.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 387) was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Without objection, the bill is deemed read a third time and is passed.

So the bill (H.R. 890) was deemed read three times and passed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate

proceed, en bloc, to the immediate consideration of Calendar Nos. 81, 82, 83, and 84, that the joint resolutions be deemed read three times, passed; and the motion to reconsider the passage of these measures be laid upon the table, en bloc; that the preambles be agreed to, en bloc; further that the consideration of these items appear individually in the RECORD; and any statements appear at the appropriate place. The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY MEDICAL SERVICES WEEK

The joint resolution (S.J. Res. 39) designating the weeks beginning May 23, 1993, and May 15, 1994, as Emergency Medical Services Week was considered, ordered to be engrossed for a third reading, read the third time and passed.

S.J. RES. 39

Whereas emergency medical services is a vital public service;

Whereas access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury;

Whereas efforts to establish emergency medicine as a medical specialty began twenty five years ago with the founding of the American College of Emergency Physicians in 1968;

Whereas the members of emergency medical services teams are ready to provide life-saving care to those in need twenty four hours a day, seven days a week;

Whereas emergency medical services teams consist of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators, and others;

Whereas approximately two-thirds of all emergency medical services providers are volunteers;

Whereas the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills;

Whereas Americans benefit daily from the knowledge and skills of these highly trained individuals;

Whereas it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week; and

Whereas the designation of Emergency Medical Services Week will serve to educate all Americans about injury prevention and how to respond to a medical emergency: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the weeks beginning May 23, 1993, and May 15, 1994, are designated as "Emergency Medical Services Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such weeks with appropriate ceremonies and activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 61) to designate the week of October 3, 1993,

through October 9, 1993, as "Mental Awareness Week" was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

S.J. RES. 61

Whereas mental illness is a problem of grave concern and consequence in the United States and it is widely, but unnecessarily, feared and misunderstood;

Whereas on an annual basis 40,000,000 adults in the United States suffer from clearly diagnosable mental disorders, including mental illness, alcohol abuse, and drug abuse, which create significant disabilities with respect to employment, school attendance, and independent living;

Whereas more than 11,200,000 United States citizens are diagnosed with schizophrenia, manic depressive disorder, and major depression, and these individuals are often disabled for long periods of time;

Whereas 33 percent of homeless persons suffer serious, chronic forms of mental illness;

Whereas mental illness, alcohol abuse, and drug abuse affect almost 22 percent of adults in the United States in any 1-year period;

Whereas mental illness interferes with the development and maturation of at least 12,000,000 of our children;

Whereas a majority of the 30,000 American citizens who commit suicide each year suffer from a mental or an addictive disorder;

Whereas our growing population of elderly persons faces many obstacles to care for mental disorders;

Whereas 20 to 25 percent of persons with AIDS will develop AIDS-related cognitive dysfunction and as many as two-thirds of persons with AIDS will have neuropsychiatric symptoms before they die;

Whereas mental illness, alcohol abuse, and drug abuse result in staggering costs to society, estimated to be in excess of \$273,000,000 each year in direct treatment and support and indirect costs to society, including lost productivity;

Whereas the Federal research budget committed to the National Institute of Mental Health, the National Institute of Alcoholism and Alcohol Abuse, and the National Institute of Drug Abuse represents only about 1 percent of the direct treatment and support costs of caring for persons with mental disorders, alcohol addiction, and drug addiction;

Whereas mental illnesses are increasingly treatable disorders with excellent prospects for amelioration when properly recognized;

Whereas persons with mental illness and their families have begun to join self-help groups seeking to combat the unfair stigma of mental illness, to support greater national investment in research, and to advocate an adequate continuum of care from hospital to community;

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (somatic, psychosocial, and service delivery) for some of the most incapacitating forms of mental illness, including schizophrenia, major affective disorders, phobias, and phobic disorders;

Whereas appropriate treatment of mental illness has been demonstrated to be cost-effective in terms of restored productivity, re-

duced use of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergency of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: 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 October 3, 1993, through October 9, 1993, is designated as "Mental Illness Awareness Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

NATIONAL AWARENESS WEEK FOR LIFE-SAVING TECHNIQUES

The joint resolution (S.J. Res. 73) to designate July 12, 1993, as "National Awareness Week for Life-Saving Techniques" was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

S.J. RES. 73

Whereas the National Safety Council reported that over 800,000 Americans died in 1991 as a result of accidents and diseases of the heart;

Whereas accidents are the leading cause of death for children and youth ages 1 to 24 years;

Whereas drowning and choking are a leading cause of accidental death in children under the age of 5 years;

Whereas rescue breathing and cardiopulmonary resuscitation, commonly referred to as CPR, are life-saving techniques that significantly reduce the incidence of sudden death due to accidents and diseases of the heart;

Whereas it is critical that more Americans learn such basic life-saving techniques in order to reduce the number of deaths related to accidents and diseases of the heart;

Whereas the opportunity to learn basic life-saving techniques is available to all Americans through the American Red Cross, the American Heart Association, the YMCA, and other national organizations; and

Whereas the death rate due to accidents and diseases of the heart would be greatly reduced if more Americans received training in basic life-saving techniques: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 5, 1993, through July 12, 1993, is designated as "National Awareness Week for Life-Saving Techniques". The President is authorized and requested to issue a proclamation calling on the people of the United States to observe the week with appropriate ceremonies and activities designed to encourage training in life-saving techniques for Americans.

NATIONAL NYSP DAY

The joint resolution (S.J. Res. 88) to designate July 1, 1993, "National NYSP Day" was considered, ordered to be engrossed for a third reading, read the third time and passed, as follows:

S.J. RES. 88

Whereas the National Youth Sports Program (hereafter referred to as "NYSP") is a

highly effective and comprehensive youth sports and educational instruction program in the United States for economically disadvantaged youth, ages 10 to 16 years old;

Whereas over 69,000 economically disadvantaged young people participated in NYSP last year as United States colleges and universities in 153 cities, 44 States, and the District of Columbia;

Whereas NYSP provides over 70,000 medical and follow-up examinations as well as health instruction by medical professionals to enrolled youth;

Whereas NYSP provides hot United States Department of Agriculture-approved meals and snacks daily to all participating youth;

Whereas the NYSP staff includes professional instructors with undergraduate degrees who offer educational instruction in drug education, AIDS, higher education, nutrition and health, and math and science, and who offer counseling on such topics as career opportunities, teen pregnancy, anti-gang strategies, and suicide prevention in an effort to promote personal responsibility;

Whereas NYSP is administered by an advisory committee composed of community leaders and college and university personnel, and collaborates with local community action agencies and mayors' offices;

Whereas the NYSP partnership between the public and private sectors ensures that Federal funds are used to provide direct services for youth, that institutions of higher education contribute facilities and personnel and pay the indirect costs of the program, and that public and private businesses donate equipment and supplies; and

Whereas 1993 marks the 25th year that NYSP has provided economically disadvantaged youth with the opportunity to participate in healthy sports activities in order to encourage these youth to build good habits, to direct the competitive urge toward constructive ends, to stimulate the imagination to reach new goals, and to satisfy the human desire to belong: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 1, 1993, is designated as "National NYSP Day". The President is authorized and requested to issue a proclamation calling upon State and local jurisdictions, appropriate Federal agencies, and the people of the United States to observe the day with appropriate ceremonies and activities.

EMERGENCY MEDICAL SERVICES WEEK, HOUSE JOINT RESOLUTION 78; NATIONAL TRAUMA AWARENESS MONTH, HOUSE JOINT RESOLUTION 135

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed, en bloc, to the immediate consideration of the following joint resolutions, just received from the House:

House Joint Resolution 78, designating "Emergency Medical Services Week," and House Joint Resolution 135 designating "National Trauma Awareness Month," that the joint resolutions be deemed read three times, passed, and the motion to reconsider laid upon the table, and the preambles agreed to, en bloc; that the consideration of these items appears individually in the RECORD and any statements appear in the appropriate place.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. No objection.

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

So the joint resolution (H.J. Res. 78) was deemed read three times and passed.

So the joint resolution (H.J. Res. 135) was deemed read three times and passed.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed, en bloc, to the immediate consideration of Calendar Nos. 78 and 79, that the resolutions be agreed to; and the motion to reconsider the adoption of these measures be laid upon the table, en bloc; that the preambles be agreed to, en bloc; further that the consideration of these items appear individually in the RECORD; and a statement by Senator MOYNIHAN relative to Calendar No. 79 appear at the appropriate place.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. No objection.

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

CONDEMNING NORTH KOREAS PROPOSED WITHDRAWAL FROM THE TREATY ON NON-PROLIFERATION ON NUCLEAR WEAPONS

The resolution (S. Res. 92) condemning the proposed withdrawal of North Korea from the Treaty on the Non-Proliferation of Nuclear Weapons, and for other purposes was considered, and agreed to as follows:

S. RES. 92

Whereas North Korea stated its intention on March 12, 1993, to withdraw from the Treaty on the Non-Proliferation of Nuclear Weapons, done on July 1, 1968;

Whereas North Korea remains obligated under the Treaty for a 90-day period;

Whereas no other country has ever formally withdrawn from the Treaty on the Non-Proliferation of Nuclear Weapons;

Whereas no other country has ever compelled the International Atomic Energy Agency (IAEA) to request a special inspection of its nuclear facilities;

Whereas North Korea refuses to allow a special inspection of suspected nuclear waste sites in violation of the Treaty on the Non-Proliferation of Nuclear Weapons;

Whereas representatives from 35 countries make up the IAEA Board of Governors allowing the Agency to act in an impartial manner;

Whereas the United States withdrew all tactical nuclear weapons from the Korean peninsula in 1991; and

Whereas annual Team Spirit U.S.-Republic of Korea exercises are conducted for defensive purposes and are not a provocative act of war: Now, therefore, be it

Resolved, That (a) the Senate hereby condemns North Korea for its stated intention to withdraw from the Treaty on the Non-Proliferation of Nuclear Weapons.

(b) It is the sense of the Senate that the United States and its international partners should take measured steps to compel North Korea to remain a party to the Treaty and to allow unconditional special inspections of apparent nuclear waste sites and other areas suspected of harboring a nuclear weapons-building program.

URGING THE IMPOSITION OF SANCTIONS AGAINST BURMA

The resolution (S. Res. 112) urging sanctions to be imposed against the Burmese Government, and for other purposes was considered, and agreed to as follows:

S. RES. 112

Whereas the military junta in Burma known as the State Law and Order Restoration Council (in this preamble referred to as the "SLORC") brutally suppressed peaceful democratic demonstrations in September 1988;

Whereas the Senate of the United States has repeatedly condemned and continues its condemnation of the SLORC;

Whereas the SLORC does not represent the people of Burma, since the people of Burma gave the National League for Democracy a clear victory in the election of May 27, 1990;

Whereas the SLORC has held Daw Aung San Suu Kyi, a leader of the National League for Democracy and the winner of the Nobel Peace Prize for 1991, under house arrest since July 1989;

Whereas the United Nations Human Rights Commission unanimously adopted on March 5, 1993, a resolution deploring the human rights situation in Burma and the continued arrest of Daw Aung San Suu Kyi; and

Whereas on March 12, 1992, the Committee on Foreign Relations of the Senate unanimously stated that (1) the SLORC does not represent the Burmese people and should transfer power to the winners of the 1990 elections, (2) United States military attachés should be withdrawn from Burma, and (3) the United States should oppose United Nations Development Program funding for Burma: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President, the Secretary of State, and other United States Government representatives should—

(1) seek the immediate release of Daw Aung San Suu Kyi from arrest and the transfer of power to the winners of the 1990 elections in Burma; and

(2) encourage the adoption by the United Nations Security Council of an arms embargo and other sanctions against the regime of the State Law and Order Restoration Council in Burma.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of State.

Mr. MOYNIHAN. Mr. President, the Senate today has once more made a most important statement of its contempt for the military junta in Burma. The State Law and Order Restoration Council, or SLORC, is quite simply a collection of criminals. They are the jailers of the people of Burma, and the duly elected leadership of the Burmese people.

Today is the third anniversary of the election in Burma of the National League for Democracy. The NLD won over 80 percent of the seats in that

election, only to see the SLORC reject a transfer of power. Elected representatives have been arrested, murdered and exiled.

The true leader of Burma, Daw Aung San Suu Kyi, has been under arrest by the SLORC for near 4 years now. She is the winner of the 1991 Nobel Peace Prize. She is the winner of the 1990 election. She does represent the Burmese people—even if she has been silenced and imprisoned.

But her silence calls to us. And we respond by demanding her freedom. The U.N. Human Rights Commission demands her freedom. Nobel peace laureates tried to go to Rangoon in February to demand her freedom. The SLORC refused them a visa. Can there be any question about the nature of a regime that cowers in front of Nobel Peace Prize laureates?

The Senate today, in a fully bipartisan effort, again demands Aung San Suu Kyi's release and the release of all political prisoners. We ask the President to take action. And we also ask that the Security Council heed the words of the Human Rights Commission. It is past time to impose sanctions on the SLORC. An arms embargo is needed. The President has the support of the Senate on this matter, and we hope that he will pursue it.

The resolution we consider today is cosponsored by Senator SIMON who has worked most diligently on the issue of Burma and who joined me last week in a meeting with Archbishop Desmond Tutu and other members of the Nobel delegation that have sought the release of Aung San Suu Kyi. This resolution is cosponsored by the distinguished chairman and ranking member of the Committee on Foreign Relations, Senators PELL and HELMS. This resolution is cosponsored by Senator MCCONNELL who worked with me last year in fashioning a unanimous position in the Foreign Relations Committee that no U.S. Ambassador could be sent to Burma without appropriate actions taken against the SLORC by the U.S. Government.

I am also pleased to inform the Senate that other Members who have cosponsored this resolution include Senators BIDEN, JEFFORDS, D'AMATO, KERREY, and HATFIELD.

The struggle of the Burmese people is not forgotten by the U.S. Senate, nor is the election of 1990 which repudiated the SLORC. We in the Senate repudiate them also.

REFUGEE ASSISTANCE APPROPRIATIONS AUTHORIZATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2128, a bill to authorize appropriations for refugee assistance, just received from the House, that the bill be deemed read three times, passed

and the motion to reconsider laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. No objection.

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

So the bill (H.R. 2128) was deemed read three times and passed.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Nos. 76, 77, and 80 en bloc; reported out of the Banking Committee today; that the committee amendment where appropriate be agreed to; that the bills be deemed read a third time, passed; that the motion to reconsider be laid upon the table en bloc; that the consideration of each bill appear separately in the RECORD; and that any statements relative to the passage of these items appear at the appropriate place in the RECORD.

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

JEFFERSON COMMEMORATIVE COIN ACT OF 1993

The bill (S. 50) to require the Secretary of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of Thomas Jefferson was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 50

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 "Jefferson Commemorative Coin Act of 1993".

SEC. 2. COIN SPECIFICATIONS.

(a) ONE-DOLLAR SILVER COINS.—

(1) ISSUANCE.—The Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall issue not more than 600,000 one-dollar coins, which shall weigh 26.73 grams, have a diameter of 1.500 inches, and contain 90 percent silver and 10 percent copper.

(2) DESIGN.—The design of the coins issued under this Act shall be emblematic of a Jefferson profile and frontal view of his home Monticello. On each coin there shall be a designation of the value of the coin, an inscription of the year "1993", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b) LEGAL TENDER.—The coins issued under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

SEC. 3. SOURCES OF BULLION.

The Secretary shall obtain silver for the coins minted under this Act only from stockpiles established under the Strategic and Critical Minerals Stock Piling Act (50 U.S.C. 98 et seq.)

SEC. 4. SELECTION OF DESIGN.

Subject to section 2(a)(2), the design for the coins authorized by this Act shall be se-

lected by the Secretary after consultation with the Executive Director of the Thomas Jefferson Memorial Foundation and the Commission of Fine Arts. As required by section 5135 of title 31, United States Code, the design shall also be reviewed by the Citizens Commemorative Advisory Committee.

SEC. 5. ISSUANCE OF COINS.

(a) QUALITY OF COINS.—Coins minted under this Act shall be issued in uncirculated and proof qualities.

(b) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular quality of the coins minted under this Act.

(c) PERIOD FOR ISSUANCE.—The Secretary may issue coins minted under this Act during the period beginning on July 4, 1993, and ending on July 4, 1994.

SEC. 6. SALE OF COINS.

(a) SALE PRICE.—The coins authorized under this Act shall be sold by the Secretary at a price equal to the sum of the face value of the coins, the surcharge provided in subsection (c) with respect to such coins, and the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

(b) PREPAID ORDERS.—The Secretary shall accept prepaid orders for the coins authorized under this Act prior to the issuance of such coins. Sale prices with respect to such prepaid orders shall be at a reasonable discount.

(c) SURCHARGES.—All sales shall include a surcharge of \$10 per coin.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this Act. Nothing in this section shall relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. DISTRIBUTION OF SURCHARGES.

All surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary—

(1) in the case of surcharges received in connection with the sale of the first 500,000 coins issued, to the Jefferson Endowment Fund, to be used—

(A) to establish and maintain an endowment to be a permanent source of support for Monticello and its historic furnishings; and

(B) for the Jefferson Endowment Fund's educational programs, including the International Center for Jefferson Studies; and

(2) in the case of surcharges received in connection with the sale of all other such coins, to the Corporation for Jefferson's Poplar Forest, to be used for the restoration and maintenance of Poplar Forest.

SEC. 9. AUDITS.

The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data of the entities specified in section 8, as may be related to the expenditures of amounts paid under section 8.

SEC. 10. NUMISMATIC PUBLIC ENTERPRISE FUND.

The coins issued under this Act are subject to the provisions of section 5134 of title 31, United States Code, the Numismatic Public Enterprise Fund.

SEC. 11. FINANCIAL ASSURANCES.

It is the sense of the Congress that this coin program shall be self-sustaining, and

should be administered to result in no net cost to the Numismatic Public Enterprise Fund.

WORLD UNIVERSITY GAMES COMMEMORATIVE COIN ACT OF 1993

The bill (S. 216) to provide for the minting of coins to commemorate the World University Games was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 216

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "World University Games Commemorative Coin Act of 1993".

SEC. 2. COIN SPECIFICATIONS.

(a) FIVE DOLLAR GOLD COINS.—

(1) ISSUANCE.—The Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") shall issue not more than 200,000 five-dollar coins which shall—

- (A) weigh 8.359 grams;
- (B) have a diameter of 0.850 inches; and
- (C) contain 90 percent gold and 10 percent alloy.

(2) DESIGN.—The design of such five-dollar coins shall be emblematic of the participation of American athletes in the World University Games. On each such coin there shall be a designation of the value of the coin, an inscription of the year "1993", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b) ONE-DOLLAR SILVER COINS.—

(1) ISSUANCE.—The Secretary shall issue not more than 750,000 one-dollar coins which shall—

- (A) weigh 26.73 grams;
- (B) have a diameter of 1.500 inches; and
- (C) contain 90 percent silver and 10 percent copper.

(2) DESIGN.—The design of such dollar coins shall be emblematic of the participation of American athletes in the World University Games. On each such coin there shall be a designation of the value of the coin, an inscription of the year "1993", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c) LEGAL TENDER.—The coins issued under this Act shall be legal tender, as provided in section 5103 of title 31, United States Code.

SEC. 3. SOURCES OF BULLION.

(a) SILVER BULLION.—The Secretary shall obtain silver for the coins minted under this Act only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

(b) GOLD BULLION.—The Secretary shall obtain gold for the coins minted under this Act pursuant to the authority of the Secretary under existing law.

SEC. 4. SELECTION OF DESIGN.

The design for each coin authorized by this Act shall be selected by the Secretary, after consultation with the Greater Buffalo Athletic Corporation and the Commission of Fine Arts. As required under section 5135 of title 31, United States Code, the design shall also be reviewed by the Citizens Commemorative Advisory Committee.

SEC. 5. SALE OF THE COINS.

(a) SALE PRICE.—The coins issued under this Act shall be sold by the Secretary at a

price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make bulk sales at a reasonable discount.

(c) PREPAID ORDERS AT A DISCOUNT.—The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount.

(d) SURCHARGE REQUIRED.—All sales shall include a surcharge of \$35 per coin for the five-dollar coins and \$7 per coin for the one-dollar coins.

SEC. 6. ISSUANCE OF THE COINS.

(a) GOLD COINS.—The five-dollar coins authorized under this Act shall be issued in uncirculated and proof qualities and shall be struck at the United States Bullion Depository at West Point.

(b) SILVER COINS.—The one-dollar coins authorized under this Act may be issued in uncirculated and proof qualities, except that not more than 1 facility of the United States Mint may be used to strike each such quality.

(c) COMMENCEMENT OF ISSUANCE.—The coins authorized and minted under this Act may be issued beginning on July 1, 1993.

(d) TERMINATION OF AUTHORITY.—Coins may not be minted under this Act after June 30, 1994.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this Act. Nothing in this section shall relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. DISTRIBUTION OF SURCHARGES.

All surcharges which are received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the Greater Buffalo Athletic Corporation. Such amounts shall be used by the Greater Buffalo Athletic Corporation to support local or community amateur athletic programs, to erect facilities for the use of such athletes, and to underwrite the cost of sponsoring the World University Games.

SEC. 9. AUDITS.

The Comptroller General shall have the right to examine such books, records, documents, and other data of the Greater Buffalo Athletic Corporation as may be related to the expenditures of amounts paid under section 8.

SEC. 10. NUMISMATIC PUBLIC ENTERPRISE FUND.

The coins issued under this Act are subject to the provisions of section 5134 of title 31, United States Code, relating to the Numismatic Public Enterprise Fund.

SEC. 11. FINANCIAL ASSURANCES.

It is the sense of the Congress that this coin program should be self-sustaining and should be administered in a manner that results in no net cost to the Numismatic Public Enterprise Fund.

Mr. D'AMATO. Mr. President, I rise today in support of S. 216, the World University Games Commemorative Coin Act Funding Act.

This legislation provides for the minting of two commemorative coins designed by LeRoy Nieman, the world renown sports artist. These coins will

be minted at no cost to the U.S. Government. Proceeds from the sale of the coins will go to support community amateur athletic programs and to help finance the cost of hosting the games.

The World University Games will be held in Buffalo, NY, in July of this year. It is the first time in the Games' 70-year history that they will be held in the United States. Hosting of the games will not only give America an occasion to demonstrate a commitment to the continued growth of amateur sports, but will afford the United States the opportunity to promote the growing spirit of international competition.

Mr. President, the World University Games are expected to draw over 7,000 athletes from 120 countries. The World University Games, open to student-athletes from 17 to 28 years old, are unequivocally the single most important amateur athletics event of 1993. These games are larger than the winter Olympics and second in size only to the summer Olympics. Over the years, the World University Games have always provided an opportunity for university students to gain exposure to valuable cultural as well as academic experiences. The World University Games provide an academic scholarship program that sets this athletic event apart from all others, and symbolizes the successful relationship between academics and athletics.

The games are approaching quickly, Mr. President, and we need to act on this legislation now. The passage of this legislation helps to ensure the games' success and will send a clear message to our Nation's scholar-athletes that we support the hard work and dedication that they put forth every day.

Mr. President, I would also like to thank my colleagues on the Banking Committee for their fast-track consideration of this very important legislation.

RED SKELTON GOLD MEDAL

The Senate proceeded to consider the bill (S. 183) to authorize the President to award a gold medal on behalf of the Congress to Richard "Red" Skelton, and to provide for the production of bronze duplicates of such medal for sale to the public, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. FINDINGS.

The Congress finds the following:

(1) Richard "Red" Skelton has provided generations with the gift of laughter, driven by his passion to instill happiness in the hearts of others;

(2) Red Skelton, a true patriot, supported the United States Armed Forces during World War II by selling a record number of

United States war bonds, serving as a private in the United States Army, and working arduously to lift the morale of his fellow soldiers; and

(3) Red Skelton, who worked his way from poverty to success, has shared his talent and his wealth with numerous charities, in an effort to help those less fortunate than himself.

SEC. 2. CONGRESSIONAL GOLD MEDAL.

(a) PRESENTATION AUTHORIZED.—The President is authorized to present, on behalf of the Congress, a gold medal of appropriate design to Richard "Red" Skelton in recognition of his exemplary performance as an entertainer and a humanitarian.

(b) DESIGN AND STRIKING.—For the purposes of the presentation referred to in subsection (a), the Secretary of the Treasury (hereafter in this Act referred to as the "Secretary") shall strike a gold medal with suitable emblems, devices, and inscriptions to be determined by the Secretary.

SEC. 3. DUPLICATE MEDALS.

The Secretary may strike and sell duplicates in bronze of the gold medal struck pursuant to section 2 under such regulations as the Secretary may prescribe, and at a price sufficient to cover the costs thereof, including labor, materials, dies, use of machinery, overhead expenses, and the cost of the gold medal.

SEC. 4. NATIONAL MEDALS.

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS; PROCEEDS OF SALE.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be charged against the Numismatic Public Enterprise Fund an amount not to exceed \$30,000 to pay for the cost of the medal.

(b) PROCEEDS OF SALE.—Amounts received from the sales of duplicate bronze medals under section 3 shall be deposited in the Numismatic Public Enterprise Fund.

So the bill (S. 183), as amended, was passed, as follows:

S. 183

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

SECTION 1. FINDINGS.

The Congress finds the following:

(1) Richard "Red" Skelton has provided generations with the gift of laughter, driven by his passion to instill happiness in the hearts of others;

(2) Red Skelton, a true patriot, supported the United States Armed Forces during World War II by selling a record number of United States war bonds, serving as a private in the United States Army, and working arduously to lift the morale of his fellow soldiers; and

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MESSAGE FROM THE HOUSE

At 1:10 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2118. An act making supplemental appropriations for the fiscal year ending September 30, 1993, and for other purposes.

H.R. 2244. An act making supplemental appropriations, transfers, and rescissions for the fiscal year ending September 30, 1993, and for other purposes.

At 9:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 105. Concurrent resolution providing for an adjournment of the House from the legislative day of Thursday, May 27, 1993 to Tuesday, June 8, 1993 and an adjournment or recess of the Senate from Friday, May 28, 1993 until Monday, June 7, 1993;

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 1723. An act to authorize the establishment of a program under which employees of the Central Intelligence Agency may be offered separation pay to separate from service voluntarily to avoid or minimize the need for involuntary separations due to downsizing, reorganization, transfer of function or other similar action, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated.

H.R. 2118. An act making supplemental appropriations for the fiscal year ending September 30, 1993, and for other purposes; to the Committee on Appropriations.

H.R. 2244. An act making supplemental appropriations, transfers, and rescissions for the fiscal year ending September 30, 1993, and

for other purposes; to the Committee on Appropriations.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 27, 1993, he presented to the President of the United States the following bill and joint resolution:

S. 564. An act to establish in the Government Printing Office a means of enhancing electronic public access to a wide range of Federal electronic information.

S.J. Res. 43. Joint resolution designating the week beginning June 6, 1993, and June 5, 1994, "Lyme Disease Awareness Week."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-856. A communication from the Administrator of the Environmental Protection Agency, transmitting, a draft of proposed legislation to extend the Solid Waste Disposal Act; to the Committee on Environment and Public Works.

EC-857. A communication from the Administrator of the Environmental Protection Agency, transmitting, a draft of proposed legislation to extend certain provisions of the Safe Drinking Water Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-858. A communication from the Administrator of the Environmental Protection Agency, transmitting, a draft of proposed legislation to amend and extend the Federal Water Pollution Control Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-859. A communication from the Administrator of the Environmental Protection Agency, transmitting, a draft of proposed legislation entitled "The Environmental Research, Development, and Demonstration Authorization Act of 1993"; to the Committee on Environment and Public Works.

EC-860. A communication from the Administrator of the Environmental Protection Agency, transmitting, a draft of proposed legislation to amend and extend the Toxic Substances Control Act, as amended, for two years; to the Committee on Environment and Public Works.

EC-861. A communication from the Acting Assistant Secretary of the Army (Civil Works), Department of the Army, transmitting, pursuant to law, a report relative to coastal wetlands restoration projects undertaken in fiscal year 1993; to the Committee on Environment and Public Works.

EC-862. A communication from the Chairman of the Defense Base Closure and Realignment Commission, transmitting, pursuant to law, certain certified materials relative to the Department of the Navy; to the Committee on Armed Services.

EC-863. A communication from the Principal Deputy, Assistant Secretary of the Air Force (Acquisition), Department of the Air Force, transmitting, pursuant to law, notice of plans to conduct a cost comparison of Air Training Command's Base Operating Support function; to the Committee on Armed Services.

EC-864. A communication from the Deputy Secretary of Defense, transmitting, a draft of proposed legislation to amend the Internal Revenue Code of 1986 to postpone the time for the performance of certain acts during contingency operations of the Armed Forces; to the Committee on Finance.

EC-865. A communication from the Acting Director of the U.S. Arms Control and Disarmament Agency, transmitting, a draft of proposed legislation to authorize appropriations of funds for the ACDA for fiscal years 1994 and 1995; to the Committee on Foreign Relations.

EC-866. A communication from the Acting Assistant Secretary (Legislative Affairs), Department of State, transmitting, pursuant to law, notice of the transfer of funds in fiscal year 1993 to the Peacekeeping Operations Account for Enforcement of Sanctions Against Serbia and Montenegro; to the Committee on Foreign Relations.

EC-867. A communication from the Acting General Counsel of the Department of the Treasury, transmitting, a draft of proposed legislation entitled "Special Debt Relief for the Poorest Act of 1993"; to the Committee on Foreign Relations.

EC-868. A communication from the Acting Director of the National Science Foundation, transmitting, a draft of proposed legislation to amend the Program Fraud Civil Remedies Act of 1986 to include the National Science Foundation; to the Committee on Governmental Affairs.

EC-869. A communication from the U.S. International Trade Commission, transmitting, pursuant to law, the semiannual report of the Inspector General for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

EC-870. A communication from the Administrator of the Panama Canal Commission, transmitting, pursuant to law, the annual report under the Freedom of Information Act for calendar year 1992; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 92. A resolution condemning the proposed withdrawal of North Korea from the Treaty on the Non-Proliferation of Nuclear Weapons, and for other purposes.

S. Res. 112. A resolution urging sanctions to be imposed against the Burmese government, and for other purposes.

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 50. A bill to require the Secretary of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of Thomas Jefferson.

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute:

S. 183. A bill to authorize the President to award a gold medal on behalf of the Congress to Richard "Red" Skelton, and to provide for the production of bronze duplicates of such medal for sale to the public.

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 216. A bill to provide for the minting of coins to commemorate the World University Games.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 39. A joint resolution designating the weeks beginning May 23, 1993, and May 15, 1994, as "Emergency Medical Services Week."

S.J. Res. 61. A joint resolution to designate the week of October 3, 1993, through October 9, 1993, as "Mental Illness Awareness Week."

S.J. Res. 73. A joint resolution to designate July 5, 1993, through July 12, 1993, as "National Awareness Week for Life-Saving Techniques."

S.J. Res. 88. A joint resolution to designate July 1, 1993, as "National NYSP Day."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Joan E. Spero, of New York, to be United States Alternative Governor of the International Bank for Reconstruction and Development for a term of five years; United States Alternative Governor of the Inter-American Development Bank for a term of five years; United States Alternate Governor of the African Development Bank for a term of five years; United States Alternate Governor of the African Development Fund; United States Alternate Governor of the Asian Development Bank; and United States Alternate Governor of the European Bank for Reconstruction and Development.

John Howard Francis Shattuck, of Massachusetts, to be Assistant Secretary of State for Human Rights and Humanitarian Affairs; and

Marilyn McAfee, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guatemala.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Nominee Marilyn McAfee,
Post American Embassy, Guatemala.
Contributions, amount, date, and donee.

1. Self, none.
2. Spouse, Joel William Febel, None.
3. Children and spouses, names, N/A.
4. Parents names, Mary Nolen McAfee, Jesse Stuart McAfee, deceased.
5. Grandparents names, Joseph Robt. Nolen Genevra Shaffer Nolen, Jesse U. McAfee, Anne Reeves McAfee, Deceased.
6. Brothers and spouses names, Robert Stuart McAfee, Ann Coleman McAfee, None.

William Thornton Pryce, of Pennsylvania, a career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Honduras.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Nominee William Thornton Pryce.

Post Honduras.
Contributions, amount, date, and donee.

1. Self, William T. Pryce, none.
2. Spouse, Joan M. Pryce, None.
3. Children and spouses, names, Kathy E. Pryce, Jeffrey F. Pryce, Scott F. Pryce, none.
4. Parents, names, Roland F. Pryce, Katharine H. Pryce, deceased.
5. Grandparents names, Harry Pryce, Mary Jane Pryce, Francis Hartman, Edna Lynch Hartman, deceased.
6. Brothers and spouses names, Katharine Pryce Collins, None.
7. Sisters and spouses names, Katharine Pryce Collins, None.

James Richard Cheek, of Arkansas, a career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Argentina.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee.
1. Self and spouse, \$200.00 April 1, 1992 Clinton for President, \$100.00 October 2, 1992 Clinton/Gore Campaign.

2. Children and spouses names, Leesa Cheek Ferguson, Michael Ferguson \$100.00 September 9, 1992, Clinton for President. Forest Cheek, spouse Adrienne, None, Surya Iaman Cheek (minor son) none.
3. Parents, names, Dorothy Cheek (mother) none. Father deceased.
4. Grandparents names, deceased.
5. Brothers and spouses names, Brother deceased.
6. Sisters and spouses names, Sherry Cheek Light and spouse Larry Light, none.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. DECONCINI:

S. 1036. A bill to authorize the Administrator of the General Services Administration to enter into agreements for the construction of border stations for the United States borders with Canada and Mexico, and for other purposes; to the Committee on the Judiciary.

By Mrs. MURRAY:

S. 1037. A bill to amend the Civil Rights Act of 1991 with respect to the application of such Act; to the Committee on Labor and Human Resources.

By Ms. MIKULSKI (for herself and Mr. LEAHY):

S. 1038. A bill to amend chapters 83 and 84 of title 5, United States Code, to extend the civil service retirement provisions of such chapters which are applicable to law enforcement officers, to inspectors of the Immigra-

and Naturalization Service, inspectors and canine enforcement officers of the United States Customs Service, and revenue officers of the Internal Revenue Service; to the Committee on Governmental Affairs.

By Mr. BOND:

S. 1039. A bill to require the use of child restraint systems on commercial aircraft; to the Committee on Commerce, Science, and Transportation.

By Mr. BINGAMAN (for himself, Mr. KENNEDY, Mr. COCHRAN, and Mr. HARKIN):

S. 1040. A bill to support systemic improvement of education and the development of a technologically literate citizenry and internationally competitive work force by establishing a comprehensive system through which appropriate technology-enhanced curriculum, instruction, and administrative support resources and services, that support the National Education Goals and any national education standards that may be developed, are provided to schools throughout the United States; to the Committee on Labor and Human Resources.

By Mr. GREGG:

S. 1041. A bill to amend the Public Health Service Act to promote the immunization of children, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HATFIELD:

S. 1042. A bill to amend the Public Health Service Act to establish an Ethical Advisory Board, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GLENN (for himself, Mr. FORD, Mr. MCCONNELL, and Mr. LUGAR):

S. 1043. A bill to extend until January 1, 1998, the existing suspension of duty on certain bicycle parts, and for other purposes; to the Committee on Finance.

By Mr. DOLE (for himself, Mr. LUGAR, Mr. GORTON, Mr. D'AMATO, Mr. WALLOP, and Mr. THURMOND):

S. 1044. A bill terminating the United States arms embargo of the Government of Bosnia-Herzegovina; to the Committee on Foreign Relations.

By Mr. WOFFORD (for himself and Mr. BRADLEY):

S. 1045. A bill to permit States to establish programs using unemployment funds to assist unemployed individuals in becoming self-employed; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S. 1046. A bill to authorize the Architect of the Capitol to develop and implement a plan to improve the Capitol grounds through the elimination and modification of space allocated for parking; to the Committee on Rules and Administration.

By Mr. MURKOWSKI:

S. 1047. A bill to convey certain real property located in Tongass National Forest to Daniel J. Gross, Sr., and Douglas K. Gross, and for other purposes; to the Committee on Energy and Natural Resources.

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

S. 1048. A bill to suspend temporarily the duty on DMAS; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mr. DASCHLE):

S. 1049. A bill to protect Lechuguilla Cave and other resources and values in and adjacent to Carlsbad Caverns National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MITCHELL (for Mr. KRUEGER):

S. 1050. A bill to designate the Federal building located at 525 Griffin Street in Dal-

las, Texas, as the "A. Maceo Smith Federal Building"; to the Committee on Environment and Public Works.

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

S. 1051. A bill to amend title XVIII of the Social Security Act to extend the period during which medicare-dependent, small rural hospitals receive additional payments under the medicare program for the operating costs of inpatient hospital services, to revise the criteria for determining whether hospitals are eligible for such additional payments, and to provide additional payments under the medicare program to other medicare-dependent hospitals; to the Committee on Finance.

By Mr. HOLLINGS (for himself, Mr. STEVENS, and Mr. KERRY):

S. 1052. A bill to authorize appropriations for fiscal years 1994 and 1995 for the Coast Guard, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. FORD (for himself, Mrs. MURRAY, Mr. MATHEWS, Mr. STEVENS, Mr. KRUEGER, Mrs. FEINSTEIN, Mr. INOUE, and Mr. BRYAN):

S. 1053. A bill to amend the Federal Aviation Act of 1958 to provide emergency relief to the United States airline industry by facilitating financing for investment in new aircraft and by encouraging the retirement of older, noisier, and less efficient aircraft, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GLENN (for himself, Mr. PELL, Mr. HELMS, and Mr. D'AMATO):

S. 1054. A bill to impose sanctions against any foreign person or United States person that assists a foreign country in acquiring a nuclear explosive device or unsafeguarded nuclear material, and for other purposes; to the Committee on Foreign Relations.

By Mr. GLENN (for himself, Mr. PELL, and Mr. D'AMATO):

S. 1055. A bill to amend the Nuclear Non-Proliferation Act of 1978 and the Atomic Energy Act of 1954 to improve the organization and management of United States nuclear export controls, and for other purposes; to the Committee on Governmental Affairs.

By Mrs. FEINSTEIN (for herself, Mr. LIEBERMAN, Mr. THURMOND, Mr. HOLLINGS, and Mrs. BOXER):

S. 1056. A bill to require that defense investment and economic growth funds be allocated among communities on the basis of the relative levels of reductions in employment experienced in such communities as a result of reduced spending for national defense functions; to the Committee on Governmental Affairs.

By Mr. JEFFORDS:

S. 1057. A bill to provide for the establishment of a nationwide, universal access health coverage program, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DECONCINI:

S. 1036. A bill to authorize the Administrator of the General Service Administration to enter into agreements for the construction of border stations on the United States borders with Canada and Mexico, and for other purposes; to the Committee on the Judiciary.

BORDER STATION LEGISLATION

• Mr. DECONCINI. Mr. President, I am introducing legislation today which

will permit the Federal Government to take advantage of state and local financing of United States-Mexico and United States-Canada border facilities. At a time when the budget deficit is increasing on an annual basis and when limited Federal funds are available to undertake critical Federal construction projects, it makes sense to establish a budget process which permits State and local governments to provide the upfront financing for new and expanded border facilities. Particularly in light of the upcoming North American Free-Trade Agreement.

In 1988 along with my colleague from New Mexico, Senator DOMENICI, I initiated a long-term program for the renovation and improvement of the deteriorated border facilities along the United States-Mexico border. It was called the Southwest Border Capital Improvements Program. This initiative, which is still underway, called for the construction of 40 new and expanded border stations along the United States-Mexico border from California to Texas. It included the expansion of primary inspection booths, secondary, and new commercial lots for virtually all of the ports on the United States-Mexico border to improve passenger processing and ensure the expeditious flow of commercial trade. To date, total funding of \$360 million has been provided to the General Services Administration [GSA] to undertake this massive effort on the border.

When we moved forward on the Southwest Border Capital Improvements Program, we had no idea that a free-trade agreement with the United States and Mexico would be forthcoming. The initiative, therefore, only took into consideration the improvements and expansion required to accommodate projected trade demands at that time. Now, with a free-trade pact for the United States, Canada, and Mexico looming, it appears that more facilities and new ports will be required to accommodate the increase in trade which is an expected outcome of the free-trade agreement. Unfortunately, the Federal funds to construct more facilities and the associated infrastructure will be limited due to budgetary constraints.

Up until the enactment of the Omnibus Budget Reconciliation Act of 1990, the Congress could have simply authorized the General Services Administration to enter into lease to purchase or capital lease agreements to acquire Federal facilities. At that time, it was common practice for the Federal Government to contract with the private sector to develop and construct a facility using private capital. However, with the enactment of Public Law 101-508 the Congress agreed to go along with an OMB scoring change which requires all budget authority to be scored against a bill in the first year in which it is made available for the Govern-

ment's full obligation under a contract for the purchase, lease-purchase, or lease of a capital asset. As a result, even if a State or local government is willing to provide the money, up front, to construct a facility for the Government's long-term use, and to charge the Government a yearly lease payment to recover the initial investment cost, similar to a mortgage, a bill will be scored for the entire long-term costs to the Federal Government up front just as if the Government were financing the direct construction of the project. OMB's justification for this change was that it is more costly for the Federal Government over time to enter into lease-purchase arrangements than for the Federal Government to undertake direct construction.

Mr. President, the same argument can be made for mortgages on a private residence. However, how many Americans would own homes if they had to provide the full amount for the purchase up front? I think, very few. When a private citizen takes out a mortgage, he is more concerned about his ability to cover the monthly mortgage payments. Why shouldn't the same procedure apply to the Federal Government? If we had unlimited Federal funds for constructing buildings and acquiring capital assets, it may make more sense for the full amount to be provided up front. However, this is not the case and I don't see this situation changing anytime soon.

The legislation I am introducing today will reverse the budget scoring practice currently in effect to permit GSA to enter into contracts to acquire, through a purchase, lease purchase, or capital lease, United States-Mexico and United States-Canada border facilities. It will permit those interested State and local governmental entities to provide the up-front capital to construct border facilities which can then be leased back to the Federal Government. It will also permit the Federal Government to respond to the long-term infrastructure needs associated with free trade that most people believe will be a certain outcome of the North American Free-Trade Agreement.

Mr. President, I never supported the scoring change on lease purchases contained in the 1990 Omnibus Budget Reconciliation Act. I didn't believe it made any sense then and I don't now. Today's legislation is an attempt to return rational thinking to the budget process, albeit only for critically needed border facilities.

I ask unanimous consent that the entire text of the bill be inserted into the RECORD.

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

S. 1036

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

SECTION 1. AUTHORIZATION.

The Administrator of the General Services Administration may enter into agreements with State and local governments of the United States for the construction of border stations on the borders of the United States with Canada and Mexico. Agreements under this Act shall be authorized only for facilities—

(1) that meet applicable Federal government requirements for border stations;

(2) that are located on sites approved by the Commissioner of the United States Customs Service, the Commissioner of the Immigration and Naturalization Service, the Secretary of Agriculture, and the Administrator of the General Services Administration; and

(3) which have been approved by the Committees on Appropriations of the House of Representatives and the Senate, the Public Works and Transportation Committee of the House of Representatives, and the Environment and Public Works Committee of the Senate.

SEC. 2. TERMS OF AGREEMENTS.

(a) IN GENERAL.—An agreement entered into under this Act shall provide for the acquisition of land and materials for the construction of border stations.

(b) TERMS AND LIMITATIONS.—

(1) OBLIGATIONS OF FUNDS.—The obligation of the United States under an agreement entered into under this Act shall be limited to the current fiscal year for which payments are due without regard to section 3328(a)(1)(B) of title 31, United States Code.

(2) DURATION OF AGREEMENT.—An agreement entered into under this Act shall provide for lease or installment payments over a period of not to exceed 30 years for the payment of the purchase price and reasonable interest.

(3) VESTING OF TITLE.—An agreement entered into under this Act shall provide for the title to the property and facilities to vest in the United States on or before the expiration of the contract term, on fulfillment of the terms and conditions of the agreement.

SEC. 3. BUDGETARY TREATMENT.

Notwithstanding any other provision of law, or guidelines or regulations issued pursuant thereto, the obligations of the Federal government arising out of an agreement entered into under this Act shall be scored each fiscal year based on the estimated expenditures in the fiscal year.●

By Mrs. MURRAY:

S. 1037. A bill to amend the Civil Rights Act of 1991 with respect to the application of such Act; to the Committee on Labor and Human Resources.

JUSTICE FOR WARDS COVE WORKERS ACT

Mrs. MURRAY. Mr. President, I rise today on behalf of myself and Senators KENNEDY, SIMON, LEVIN, CAMPBELL and AKAKA to introduce the Justice for Wards Cove Workers Act.

The passage of the Civil Rights Act of 1991 was a truly historic occasion. I remember being back in my home State of Washington and applauding Congress for sending a very clear message to the courts and to the Nation—discrimination will not be tolerated.

However, I also remember the press generated a while later in Washington State about one particular line of that act—a line that exempts one employer

and one group of employees from coverage. Mr. President, that is why I am here today to introduce this bill.

It is a very simple bill, really. It is designed to ensure that we are all treated equally under the Civil Rights Act of 1991. The bill will remove the provision in the act that exempts the employer and employees involved in the Wards Cove Packing Co. versus Antonio case.

Actually, the legislation reminds me of when I taught the Pledge of Allegiance to my preschool students. The pledge ends with the phrase "with liberty and justice for all." It does not make any exceptions. Mr. President, my students understood this principle and I know the U.S. Congress does too.

As a newcomer to this body, I come to this issue as a matter of fundamental fairness. I know that there is a long drawn-out history with regard to the Wards Cove exemption. I also know that some sort of deal was struck during negotiations for the passage of the Civil Rights Act of 1991. However, in my opinion, this type of injustice cannot stand.

Our actions and votes affect lives. A few words in a large piece of legislation can have a huge impact. Those words in the Civil Rights Act of 1991 exempting the Wards Cove Packing Co. and workers directly affect thousands of people's lives. In a less direct way, those words affect all of us. The Wards Cove exemption violates our most basic notions of justice.

Mr. President, the exemption of any employer or employee from our Federal civil rights laws would cause me great concern. However, the fact that the U.S. Supreme Court's decision in Wards Cove was one of the decisions that prompted Congress to enact the Civil Rights Act of 1991—in the first place—makes the injustice of the Wards Cove exemption all the more glaring.

The Wards Cove case has been in the courts since 1974. For the record, I should mention that it involves claims of discrimination by Asian-Pacific Americans and Native Alaskans in the salmon canning industry in Alaska.

However, I am not going to describe those claims today. The legislation I am introducing is not designed to determine the outcome of that case. It is designed to ensure that we are all treated equally under Civil Rights Act of 1991.

Mr. President, some of my colleagues may be concerned that this legislation will make the Civil Rights Act of 1991 retroactive. I want to emphasize that this bill was carefully drafted so as not to address the issue of retroactivity. The Justice for Wards Cove Workers Act simply will repeal the Wards Cove exemption in the Civil Rights Act of 1991.

The exemption must be removed. President Clinton has pledged his

strong support for this legislation, and I believe that this bill should receive the full support of both Houses of Congress. I urge my colleagues to join me in supporting the Justice for Wards Cove Workers Act.

Mr. KENNEDY. Mr. President, it is an honor to join Senator MURRAY and our other colleagues in introducing the Justice for Wards Cove Workers Act.

The Civil Rights Act of 1991 was the culmination of 2 years of intense legislative debate about effective ways to deal with a series of unfortunate Supreme Court decisions, including Wards Cove Packing Co. versus Atonio, that had seriously weakened the civil rights laws.

In October 1991, when the Bush administration finally agreed to accept stronger job discrimination remedies for the future, the administration also sought to assure that the new law would not apply to the thousands of civil rights cases then pending. This position was unacceptable to many of us who were strong supporters of the act, and was contrary to the traditional practice of permitting litigants in pending cases to take advantage of favorable changes in the law.

Compromise language on retroactivity was eventually reached. But several Republican Senators insisted on including a provision specifically stating that the act would not apply to the parties in the Wards Cove case itself, the case that had dominated much of the public debate over the legislation. As a result, section 402(b) was included in the act, which exempts that controversial case from the act's coverage.

The legislation we are introducing today will repeal section 402(b). The applicability of the Civil Rights Act of 1991 to other cases that were pending on the date of enactment is currently before the Supreme Court, and a decision is expected early next year. Our legislation is carefully drafted so that it will not affect the outcome of that litigation.

Whatever the Supreme Court decides should apply to the Wards Cove litigants too. It was unfair for Congress to single out the plaintiffs for adverse treatment. I urge my colleagues to support the Justice for Wards Cove Workers Act.

By Ms. MIKULSKI (for herself and Mr. LEAHY):

S. 1038. A bill to amend chapters 83 and 84 of title 5, United States Code, to extend the civil service retirement provisions of such chapters which are applicable to law enforcement officers, to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the U.S. Customs Service, and revenue officers of the Internal Revenue Service; to the Committee on Governmental Affairs.

HAZARDOUS OCCUPATIONS RETIREMENT
BENEFITS ACT OF 1993

• Ms. MIKULSKI. Mr. President, I rise today to introduce legislation to permit certain employees of the U.S. Customs Service, Immigration and Naturalization Service, and Internal Revenue Service who are working in hazardous occupations to retire at age 50 with 20 years of Federal service. I have introduced similar legislation in the 100th, 101st, and 102d Congresses.

Under current law, Federal law enforcement officers and firefighters are eligible to retire at age 50 with 20 years of Federal service. This legislation would provide the same retirement benefit to U.S. Customs inspectors and canine enforcement officers, immigration inspectors, and IRS revenue officers. Like law enforcement officers and firefighters, these employees also have very hazardous, physically taxing occupations, and it is in the public's interest to ensure a young and vigorous work force in these jobs.

Customs and Immigration inspectors are our first line of defense against terrorism and the smuggling of illegal drugs. Recently, Customs instituted an antiterrorist program called Border Shield, which put employees on full alert at all border crossings and airports and required inspectors to carry firearms at all times. A clear and constant threat of severe bodily injury means that all Customs inspectors are authorized to carry firearms and must meet one of the highest qualification standards of all law enforcement officers.

In February 1990, a tragic reminder of this threat occurred when Timothy McGaghren, a U.S. Customs inspector, was killed in the line of duty on the Southwest border.

According to an FBI Uniform Crime Report, in 1988 IRS officers suffered more assaults than any law enforcement group in the Federal Government, and Customs and Immigration officers were assaulted at a rate exceeding that experienced by the FBI, U.S. Marshals Service, and the U.S. Secret Service. In addition, between 1984 and 1988, more Customs officers died due to service-related injuries than any other group except DEA and Bureau of Prisons officers.

I urge my colleagues to join me again in this Congress in expressing support for this bill and finally getting it enacted. This bill will improve the effectiveness of our inspector and revenue officer work force to ensure the integrity of our borders and proper collection of the taxes and duties owed to the Federal Government.

Mr. President, I ask unanimous consent that the text of the bill appear in the CONGRESSIONAL RECORD at the conclusion of my remarks.

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

S. 1038

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

SECTION 1. CIVIL SERVICE RETIREMENT SYSTEM.

(a) DEFINITIONS.—Section 8331 of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (25);

(2) by striking out the period at the end of paragraph (26) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(27) 'revenue officer' means an employee of the Internal Revenue Service, the duties of whose position are primarily the collection of delinquent taxes and the securing of delinquent returns, including an employee engaged in this activity who is transferred to a supervisory or administrative position;

"(28) 'customs inspector' means an employee of the United States Customs Service, the duties of whose position are primarily to—

"(A) enforce laws and regulations governing the importing and exporting of merchandise;

"(B) process and control passengers and baggage;

"(C) interdict smuggled merchandise and contraband; and

"(D) apprehend (if warranted) persons involved in violations of customs laws,

including an employee engaged in this activity who is transferred to a supervisory or administrative position;

"(29) 'customs canine enforcement officer' means an employee of the United States Customs Service, the duties of whose position are primarily to work directly with a dog in an effort to—

"(A) enforce laws and regulations governing the importing and exporting of merchandise;

"(B) process and control passengers and baggage;

"(C) interdict smuggled merchandise and contraband; and

"(D) apprehend (if warranted) persons involved in violations of customs laws,

including an employee engaged in this activity who is transferred to a supervisory or administrative position; and

"(30) 'Immigration and Naturalization inspector' means an employee of the Immigration and Naturalization Service, the duties of whose position are primarily the controlling and guarding of the boundaries and borders of the United States against the illegal entry of aliens, including an employee engaged in this activity who is transferred to a supervisory or administrative position."

(b) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—Section 8334 of title 5, United States Code, is amended—

(1) in subsection (a)(1), by striking out "a law enforcement officer," and inserting in lieu thereof "a law enforcement officer, a revenue officer, a customs inspector, a customs canine enforcement officer, an Immigration and Naturalization inspector,"; and

(2) in the table in subsection (c), by striking out "and firefighter for firefighter service." and inserting in lieu thereof "firefighter for firefighter service, revenue officer for revenue officer service, customs inspector for customs inspector service, customs canine enforcement officer for customs canine enforcement officer service, and Immigration and Naturalization inspector for Immigration and Naturalization inspector service".

(c) **MANDATORY SEPARATION.**—Section 8335(b) of title 5, United States Code, is amended in the second sentence by striking out "law enforcement officer" and inserting in lieu thereof "law enforcement officer, a revenue officer, a customs inspector, a customs canine enforcement officer, or an Immigration and Naturalization inspector".

(d) **IMMEDIATE RETIREMENT.**—Section 8336(c)(1) of such title is amended by striking out "law enforcement officer or firefighter," and inserting "law enforcement officer, a firefighter, a revenue officer, a customs inspector, a customs canine enforcement officer, or an Immigration and Naturalization inspector,".

SEC. 2. FEDERAL EMPLOYEES RETIREMENT SYSTEM.

(a) **DEFINITIONS.**—Section 8401 of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (31);

(2) by striking out the period at the end of paragraph (32) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(33) 'revenue officer' means an employee of the Internal Revenue Service, the duties of whose position are primarily the collection of delinquent taxes and the securing of delinquent returns, including an employee engaged in this activity who is transferred to a supervisory or administrative position;

"(34) 'customs inspector' means an employee of the United States Customs Service, the duties of whose position are primarily to—

"(A) enforce laws and regulations governing the importing and exporting of merchandise;

"(B) process and control passengers and baggage;

"(C) interdict smuggled merchandise and contraband; and

"(D) apprehend (if warranted) persons involved in violations of customs laws,

including an employee engaged in this activity who is transferred to a supervisory or administrative position;

"(35) 'customs canine enforcement officer' means an employee of the United States Customs Service, the duties of whose position are primarily to work directly with a dog in an effort to—

"(A) enforce laws and regulations governing the importing and exporting of merchandise;

"(B) process and control passengers and baggage;

"(C) interdict smuggled merchandise and contraband; and

"(D) apprehend (if warranted) persons involved in violations of customs laws,

including an employee engaged in this activity who is transferred to a supervisory or administrative position; and

"(36) 'Immigration and Naturalization inspector' means an employee of the Immigration and Naturalization Service, the duties of whose position are primarily the controlling and guarding of the boundaries and borders of the United States against the illegal entry of aliens, including an employee engaged in this activity who is transferred to a supervisory or administrative position.".

(b) **IMMEDIATE RETIREMENT.**—Section 8412(a) of title 5, United States Code, is amended—

(1) in paragraph (1) by striking out "or firefighter," and inserting in lieu thereof "firefighter, revenue officer, customs inspector, customs canine enforcement officer, or

Immigration and Naturalization inspector,"; and

(2) in paragraph (2) by striking out "or firefighter," and inserting in lieu thereof "firefighter, revenue officer, customs inspector, customs canine enforcement officer, or Immigration and Naturalization inspector,".

(c) **COMPUTATION OF BASIC ANNUITY.**—Section 8415(g)(2) of title 5, United States Code, is amended in the sentence following subparagraph (B) by inserting "revenue officer, customs inspector, customs canine enforcement officer, Immigration and Naturalization inspector," after "firefighter,".

(d) **DEDUCTIONS.**—Section 8422(a)(2) of title 5, United States Code, is amended—

(1) in subparagraph (A) by inserting "revenue officer, customs inspector, customs canine enforcement officer, Immigration and Naturalization inspector," after "air traffic controller,"; and

(2) in subparagraph (B) by inserting "revenue officer, customs inspector, customs canine enforcement officer, Immigration and Naturalization inspector," after "air traffic controller,".

(e) **GOVERNMENT CONTRIBUTIONS.**—Section 8423(a) of title 5, United States Code, is amended—

(1) in paragraph (1)(B)(i) by inserting "revenue officer, customs inspector, customs canine enforcement officer, Immigration and Naturalization inspector," after "law enforcement officer,"; and

(2) in paragraph (3)(A) by inserting "revenue officer, customs inspector, customs canine enforcement officer, Immigration and Naturalization inspector," after "law enforcement officer,".

(f) **MANDATORY SEPARATION.**—Section 8425(b) of title 5, United States Code, is amended in the second sentence by inserting "revenue officer, customs inspector, customs canine enforcement officer, or Immigration and Naturalization inspector" after "law enforcement officer".

SEC. 3. ADMINISTRATIVE PROVISIONS.

(a) **EMPLOYEE CONTRIBUTIONS.**—Any individual who has served as a revenue officer, customs inspector, customs canine enforcement officer, or Immigration and Naturalization inspector before the effective date of this Act, shall have such service credited and annuities determined in accordance with the amendments made by sections 1 and 2 of this Act, if such individual makes payment into the Civil Service Retirement and Disability Fund of an amount, determined by the Office of Personnel Management, which would have been deducted and withheld from the basic pay of such individual (including interest thereon) under chapters 83 and 84 of title 5, United States Code, as if such amendments had been in effect during the periods of such service.

(b) **AGENCY CONTRIBUTIONS.**—No later than 90 days after a payment made by an individual under subsection (a), the Department of the Treasury or the Department of Justice (as the case may be) shall make a payment into the Civil Service Retirement and Disability Fund of an amount, determined by the Office of Personnel Management, which would have been contributed as a Government contribution (including interest thereon) under chapters 83 and 84 of title 5, United States Code, for the service credited and annuities determined for such individual, as if the amendments made by sections 1 and 2 of this Act had been in effect during the applicable periods of service.

(c) **REGULATIONS.**—The Office of Personnel Management shall determine the amount of interest to be paid under this section and

may promulgate regulations to carry out the provisions of this Act.

SEC. 4. EFFECTIVE DATE.

The provisions of this Act and amendments made by this Act shall take effect on the date occurring 90 days after the date of enactment of this Act. •

By Mr. BINGAMAN (for himself, Mr. KENNEDY, Mr. COCHRAN, and Mr. HARKIN):

S. 1040. A bill to support systemic improvement of education and the development of a technologically literate citizenry and internationally competitive work force by establishing a comprehensive system through which appropriate technology-enhanced curriculum, instruction, and administrative support resources and services, that support the National Education Goals and any national education standards that may be developed, are provided to schools throughout the United States; to the Committee on Labor and Human Resources.

THE TECHNOLOGY FOR EDUCATION ACT OF 1993

• Mr. BINGAMAN. Mr. President, I introduce on behalf of myself, Senators KENNEDY, COCHRAN, and HARKIN, the Technology for Education Act of 1993.

The children in our elementary and secondary schools face the most dynamic and rapidly changing workplace of recent history. While technology is redefining the industries that will employ them, technology is also the key to preparing our children for the complex world ahead.

The bill I am introducing today, the Technology for Education Act of 1993, will facilitate a revolution in the way we teach our children. The goal of this bill is to improve our system of education in order to help Americans become more technologically literate and internationally competitive.

Technology has become a part of just about every aspect of modern life. We deal with technology at home, at work and even at the supermarket. Unfortunately, American classrooms are one of the last areas to gain the advantage of technology. Now, through this legislation we will integrate technology into classrooms throughout the Nation.

Several years ago, the Nation's Governors—including then-Governor Clinton—got together and established ambitious goals for our students, teachers, and schools to strive toward. The Nation, the Congress, and the Clinton administration are committed to achieving the high standards of the National Education Goals. As one of the two U.S. Senators on the National Education Goals Panel, I believe our children can meet these goals if we challenge them and provide them with appropriate resources.

Now that we have challenged our students to meet high standards, we must also try to assist them. With this legislation, the Federal Government can step forward and provide a method to help students, local school districts, and States meet the goals. Educational

technology is a powerful, cost-effective tool to help our students meet the National Education Goals by the year 2000.

New Mexico is currently engaged in the revolution. Classrooms of the future are emerging in a cluster of nine small high schools scattered across the plains of rural eastern New Mexico. High school students in San Jon, House, and Grady—some of the most rural communities in New Mexico—are taking advanced classes from a college some 50 miles away. The schools linked with the Clovis Community College through a two-way interactive video system.

Through the application of technology to education, students can participate in a regional classroom, with access to educational resources unavailable in their schools and communities. This pocket of innovation in my State is a simple, but instructive, example of the transition currently taking place in schools across the Nation as we strive to reform our educational system.

But to ensure equity and access to all students, the fair allocation of all educational resources—including technology—must be a goal of our educational reform effort. This bill will help bring equity and access to the distribution of educational technologies.

Creative uses of educational technology—computers, state-of-the-art software, video programming, VCR's, video discs, and telecommunication links—can transport the student into an intellectual Disneyland. Imagine a video journey to exotic locations to learn about geography, history, or current events; or a live link with Shuttle astronauts to discuss scientific experiments. Access to these tools can inspire a generation of youth to become engaged in the educational process.

The Education Technology Act of 1993 would develop a comprehensive strategy to integrate educational technology into the curriculum of every American classroom. Through the bill, the Federal Government will become a catalyst for extending the Nation's technology infrastructure to support learning technologies for elementary and secondary students and teachers.

I know the Clinton administration, under the leadership of Secretaries Riley and Kunin, are committed to the goals of this legislation—enhancing technology in our schools. I would like to thank Senators EDWARD KENNEDY and THAD COCHRAN for their continued support of this bill, and for the dedicated efforts of their staff—Ellen Guiney, Geri Anderson-Nielsen, Doris Dixon, and Ray Ramirez, formerly on my staff. I would like to thank Senator PAUL SIMON for his leadership in providing the library and media resources provisions of this bill, as well as acknowledge the help we received from the educational community, professional associations, and industry.

This legislation attempts to correct the inequitable acquisition and application of technology in education throughout the United States due to several reasons: The absence of Federal leadership; the inability of many State and local education agencies to invest in and support the needed technologies; and the limited availability of appropriate technology-enhanced curriculum, instruction, and administrative support in the education marketplace.

This bill provides leadership and guidance on the equitable and cost-effective use of technology, studies effective ways to apply technological resources to the classroom, and coordinates existing efforts in using educational technologies. Specifically, this legislation:

Establishes an Assistant Secretary for Educational Technology within the Department of Education and a National Commission on Technology in Education to provide leadership in technology education;

Provides Federal funding for education planning, teacher training, equipment purchases by disadvantaged schools, educational technology research, and extends authorization of the Star Schools Program;

Creates a national system for disseminating educational information; and

Supports the development of high quality curriculum-based software, instructional broadcasting, and video programming.

This week, the Labor and Human Resources Committee reported out the Goals 2000: Educate America Act with additional provisions for national skill standards. The legislation establishes a national board to stimulate the development and adoption of a voluntary national system of skill standards, assessment, and certification. In order to enhance work force skills, the national skill standards will increase productivity, economic growth, and American economic competitiveness. The Technology for Education Act of 1993 will better enable the school systems to meet these new standards in preparing today's students for the crucial transition from school to the work force.

This legislation enables our educational system to provide students equal access to high quality instruction in an intellectually stimulating manner, regardless of whether students live in the inner city, the rural countryside, or the suburbs. Educational technology is our ticket to reform and restructure the classroom of today and transform our schoolrooms into the 21st century.

Mr. President, I ask unanimous consent that the text of the bill and an executive summary be printed in the RECORD.

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

S. 1040

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Technology for Education Act of 1993".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Statement of purpose.
- Sec. 4. Definitions.

TITLE I—LEADERSHIP FOR TECHNOLOGY IN EDUCATION

- Sec. 101. Office of Educational Technology.
- Sec. 102. National Commission on Technology in Education.

TITLE II—SCHOOL TECHNOLOGY SUPPORT

- Sec. 201. Statement of purposes.
- Sec. 202. State technology planning grants.
- Sec. 203. Elementary and secondary school library and media services.
- Sec. 204. School technology resource grants and loans.
- Sec. 205. Information dissemination.

TITLE III—INFORMATION DISSEMINATION, TECHNOLOGY TRAINING AND TECHNICAL ASSISTANCE

- Sec. 301. Statement of purpose.
- Sec. 302. Electronic dissemination network.
- Sec. 303. Regional implementation and assistance.
- Sec. 304. Authorization of appropriations.

TITLE IV—EDUCATIONAL TECHNOLOGY PRODUCT DEVELOPMENT, PRODUCTION, AND DISTRIBUTION

- Sec. 401. Statement of purpose.
- Sec. 402. Priority in federally supported education programs.
- Sec. 403. Classrooms for the future.
- Sec. 404. Instructional broadcasting and video instructional programming.
- Sec. 405. Star Schools Program.

TITLE V—EDUCATIONAL TECHNOLOGY RESEARCH, DEVELOPMENT AND ASSESSMENT

- Sec. 501. Purposes.
- Sec. 502. Application of advanced technologies to education.
- Sec. 503. High performance educational computing and telecommunications networks.
- Sec. 504. Assessment of technology in education.

TITLE VI—MISCELLANEOUS

- Sec. 601. Study of systemic funding alternatives.
- Sec. 602. Participation of private school children.

SEC. 2. FINDINGS.

The Congress finds that with respect to the use of technology to improve education in America—

(1) the use of technology as a tool in the learning process is essential to the development and maintenance of a technologically literate citizenry and internationally competitive work force;

(2) technology-enhanced curriculum, instruction, and administrative support resources and services that support the National Education Goals and any national education standards that may be developed are needed and can be used for the systemic improvement of all aspects of education;

(3) the acquisition and use of technology in education throughout the United States has

been inhibited by the absence of Federal leadership, the inability of many State and local educational agencies to invest in and support the needed technologies, and the limited availability of appropriate technology-enhanced curriculum, instruction, teacher training, and administrative support resources and services in the educational marketplace;

(4) national educational technology standards and national educational technology application standards should be developed for both hardware and software;

(5) the acquisition and use of technology-enhanced curriculum, instruction, and administrative support resources and services by elementary and secondary schools in the United States must be supported by a comprehensive system which includes—

(A) national leadership with respect to the need for, and the provision of, appropriate technology-enhanced curriculum, instruction, and administrative programs and services for educational institutions in the United States and the schools of the defense dependents' education system;

(B) funding mechanisms which will support development interconnection, implementation, improvement and maintenance of an effective educational technology infrastructure for all learners in the United States;

(C) information dissemination networks to facilitate access to information on effective learning programs, assessment and evaluation of such programs, research findings, and supporting resources (including instructionally based, technology-enhanced programs, research, and resources) by educators throughout the United States;

(D) information regarding curriculum content standards, teacher performance standards, opportunity to learn standards, and assessments and standards for integrating technology into curriculum and instruction;

(E) an extensive variety of opportunities for teacher education, inservice training, and administrator training and technical assistance with respect to effective uses of technologies in education;

(F) consortia for the development, production, distribution, and reuse of technology-enhanced curriculum, instruction and administrative support resources and services with Federal assistance;

(G) building upon, and not duplicating, existing telecommunications infrastructure dedicated to educational purposes;

(H) development and evaluation of new and emerging educational technologies and telecommunications networks; and

(I) assessment data regarding state-of-the-art uses of technologies in United States education upon which businesses, non-commercial telecommunications entities, and governments can rely for decisionmaking about the need for, and provision of, appropriate technologies for education in the United States;

(6) educational equalization concerns and school restructuring needs can be addressed through educational telecommunications and technology by offering universal access to high-quality teaching and programs, particularly in urban and rural areas;

(7) in an increasingly technological world where technology and telecommunications have become an integral part of many households, the disparity between rich and poor students will become even greater, and educational policies must address such disparity;

(8) the increasing use of new technologies and telecommunications systems in business has furthered the gap between schooling and work force preparation; and

(9) improved professional development for teachers requires constant access to updated research in teaching and learning, and telecommunications can be the conduit for ongoing teacher training.

SEC. 3. STATEMENT OF PURPOSE.

It is the purpose of this Act—

(1) to develop and maintain a technologically literate citizenry and internationally competitive work force by encouraging systemic integration of technology and telecommunications in all aspects of education in the United States;

(2) to promote greater equality of educational opportunity and instruction among school districts through the use of technology to improve the academic achievements of all students, in general, and disadvantaged, disabled, and limited-English proficient students, in particular;

(3) to improve educational quality and opportunity by expanding and improving technology in the school, classroom, library, and home;

(4) to develop educational and instructional programming in critical subject areas which address the National Education Goals;

(5) to expand teacher training opportunities for the use of such technology;

(6) to avoid duplication and the development of incompatible systems by strengthening and building upon existing telecommunications infrastructure dedicated to educational purposes;

(7) to establish a National Commission on Technology in Education to periodically assess national requirements, make recommendations with respect to the use of technology and telecommunications in public and private elementary and secondary education throughout the United States, and advise the Congress with respect to funding priorities and needed policies; and

(8) to establish within the Department of Education, a high level office with primary responsibility for—

(A) providing national leadership for universal access to effective uses of telecommunications and educational technologies for teaching and learning;

(B) facilitating access to a broad range of information resources for teachers, learners, and others engaged in education;

(C) establishing technical standards and guidelines for advanced technologies, including software as well as hardware, and instructional software as well as software for operating systems and communications;

(D) establishing funding mechanisms which will support the development and maintenance of an effective educational technology infrastructure for all learners in the United States;

(E) providing for sustained teacher, administrator and other school personnel education and support for using technologies;

(F) supporting development, production, distribution, and reuse of information resources and strategies;

(G) promoting development and evaluation of new and emerging educational technologies;

(H) stimulating private and public partnerships;

(I) stimulating partnerships between—
(i) noncommercial telecommunications entities; and

(ii) public schools, local educational agencies or State educational agencies;

(J) stimulating private sector investment in the development, production, and distribution of technology-enhanced curriculum, instruction, and administrative support resources and services; and

(K) developing and administering a comprehensive system of information dissemination, technical assistance, training, research, and assessment activities which will enable all schools to effectively utilize appropriate technology-enhanced curriculum, instruction, and administrative support resources and services.

SEC. 4. DEFINITIONS.

(a) IN GENERAL.—The terms used in this Act, unless otherwise specified, shall have the same meaning given to such terms by section 1471 of the Elementary and Secondary Education Act of 1965.

(b) ADDITIONAL DEFINITIONS.—For the purpose of this Act—

(1) the term "Assistant Secretary" means the Assistant Secretary for Educational Technology;

(2) the term "Office" means the Office of Educational Technology;

(3) the term "noncommercial telecommunications entity" has the same meaning given to such term by section 397(7) of the Communications Act of 1934; and

(4) the term "technology" includes closed circuit television systems, educational television and radio broadcasting, cable television, satellite, copper and fiber optic transmission, computer, video and audio laser and CD ROM discs, video and audio tapes or other technologies.

TITLE I—LEADERSHIP FOR TECHNOLOGY IN EDUCATION

SEC. 101. OFFICE OF EDUCATIONAL TECHNOLOGY.

(a) AMENDMENT TO THE DEPARTMENT OF EDUCATION ORGANIZATION ACT.—

(1) ASSISTANT SECRETARY.—(A) Section 202 of the Department Organization Act (20 U.S.C. 3412(b)(1)) is amended—

(i) in subparagraph (F), by striking "and" after the semicolon;

(ii) by redesignating subparagraph (G) as subparagraph (H); and

(iii) by adding after subparagraph (F) the following new subparagraph:

"(G) an Assistant Secretary for Educational Technology; and"

(B) Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

"Assistant Secretary for Educational Technology".

(2) OFFICE OF EDUCATIONAL TECHNOLOGY.—Title II of the Department of Education Organization Act (20 U.S.C. 3411 et seq.) is amended by adding at the end the following new section:

"OFFICE OF EDUCATIONAL TECHNOLOGY

"SEC. 216. (a) There shall be in the Department of Education an Office of Educational Technology, to be administered by the Assistant Secretary for Educational Technology. Such Office shall be established in accordance with section 405A of the General Education Provisions Act.

"(b) The Assistant Secretary for Educational Technology shall have demonstrated expertise and experience in the application of a broad range of technologies for instruction and educational management, and in planning and formulating policy pertaining to technology use, development and application at several levels in the education system but with specific emphasis on experience in the kindergarten through 12th grade.

"(c) There shall be in the Office of Educational Technology a Division of Elementary and Secondary School Library Media Services, to be administered by the Director of the Division. Such Division shall be established in accordance with section 405B of the General Education Provisions Act."

(b) AMENDMENT TO THE GENERAL EDUCATION PROVISIONS ACT.—Part A of the General Education Provisions Act (20 U.S.C. 1221e et seq.) is amended by inserting after section 405 the following new section:

"SEC. 405A. OFFICE OF EDUCATIONAL TECHNOLOGY.

"(a) ESTABLISHMENT.—

"(1) OFFICE ESTABLISHED.—The Secretary shall establish an Office of Educational Technology (hereafter in this section referred to as the 'Office') within 90 days after the date of enactment of the Technology for Education Act of 1993. The Office shall be the principal technology unit in the Department of Education and shall be responsible for assisting schools in obtaining and utilizing technology.

"(2) PERSONNEL.—

"(A) IN GENERAL.—The Assistant Secretary for Educational Technology (hereafter in this section referred to as the "Assistant Secretary") may appoint personnel in accordance with title 5 of the United States Code, and may compensate such personnel in accordance with the General Schedule described in section 5332 of title 5, United States Code.

"(B) EXPERTS AND CONSULTANTS.—The Assistant Secretary may procure temporary and intermittent services under section 3019(b) of title 5, United States Code, if the individual performing such services, by virtue of such individual's education or training and experience, is eminently qualified to assist the Office in performing the functions of the Office.

"(3) ADMINISTRATIVE SUPPORT.—To the greatest extent possible, the Assistant Secretary shall utilize existing administrative support services of the Department of Education in accomplishing the functions of the Office. However, the Assistant Secretary is authorized to obtain any or all requisite administrative support services required by the Office through competitive contracting with a private sector enterprise or through non-competitive, reimbursable service agreements with any other Federal department, agency or governmental entity. The Assistant Secretary shall have sole responsibility for determining whether any or all of the administrative support requirements of the Office may be more efficiently provided by existing administrative support services within the Department of Education, by a private sector enterprise, or by a governmental entity outside the Department of Education.

"(4) REPORTING REORGANIZATIONS.—Any change in the functions or reorganization of the Office as established by this Act shall be reported to the Congress prior to implementation of the change or reorganization.

"(b) FUNCTIONS OF THE OFFICE.—The Assistant Secretary, through the Office, shall—

"(1) provide national leadership for policy development and coordinate technology-related education activities within the Department of Education;

"(2) be an advisor within the Department of Education for the design, coordination, and evaluation of any technology-enhanced network or system used for the transfer and dissemination of information through activities and programs such as the education resources information clearinghouses, the National Diffusion Network, the regional mathematics and science education consortia assisted under subpart 2 of part A of title II of the Elementary and Secondary Education Act of 1965, and the National Clearinghouse for Science, Mathematics and Technology Education;

"(3) administer a comprehensive school technology support system of grants, loans,

and alternative systemic funding sources to encourage—

"(A) State and local educational agency planning for the use of technology in education;

"(B) the acquisition and use of technology advanced information management resources by public or private elementary and secondary school library media centers, which resources shall build upon existing infrastructure; and

"(C) the acquisition, development and maintenance of technology-enhanced curriculum, instruction, and administrative support resources and services for school classrooms and administrative offices, which resources and services shall build upon existing infrastructure in order to avoid duplication;

"(4) consult, cooperate and coordinate educational technology programs with analogous programs of other Federal departments, agencies and other entities, including the National Science Foundation, the Federal Coordinating Council for Science Engineering and Technology, the Corporation for Public Broadcasting, and Public Telecommunications Facilities Program and, whenever possible, initiate agreements for joint funding of such educational technology and analogous programs;

"(5) support the research, design, development, production, distribution, reuse and evaluation by public or private agencies, nonprofit organizations, colleges and universities, or individuals, or by combinations thereof, of new technology-enhanced curriculum, instruction, and administrative support resources and services which hold promise for improving the effectiveness of education in the United States;

"(6) make recommendations to all Federal departments and agencies for wider application of the use of technology in federally supported education programs within such departments and agencies;

"(7) support and encourage cooperative efforts to resolve issues which have served as impediments to the use of educational technologies, such as State requirements for teacher certification, incompatibility of various technological systems, and lack of access to telecommunications linkages in the classroom;

"(8) establish and administer alternative mechanisms for financing the planning, implementation, and maintenance of a telecommunications and educational technology infrastructure to serve education at all levels;

"(9) regularly convene meetings of educators, policy makers, business leaders and telecommunications and educational technology vendors, and representatives of non-commercial telecommunications entities and service providers in order to—

"(A) support appropriate public and private partnerships for more effective cooperation leading to improvements in the design and development of new technologies for application in education; and

"(B) benefit the effective integration of technologies to enhance and support teaching and learning;

"(10) support research on advanced learning technologies in cooperation with other Federal departments, agencies, and programs, including the Advanced Research Projects Agency (ARPA) of the Department of Defense, the Advanced Technology Program of the Department of Commerce, the Corporation for Public Broadcasting, the Department of Labor, the National Science Foundation, the Department of Energy, the

National Aeronautics and Space Administration, and the Department of Defense;

"(11) identify and analyze Federal and State policies' impact on present and future uses of technologies in education;

"(12) support and encourage cooperative efforts to develop standards and guidelines for the use of technology in Federal, State and local education programs;

"(13) promote collaboration among government, business, educational organizations, and other nonprofit organizations and non-commercial telecommunications entities, to expand and improve the use of technology in education;

"(14) support a variety of opportunities for teacher, librarian, administrator and other school personnel education and inservice training regarding the effective uses of educational technologies through institutions of higher education, regional educational laboratories and centers, State and local educational agencies, museums, science centers, noncommercial telecommunications entities or other institutions conducting training;

"(15) annually evaluate the level of implementation of, and the impact on teaching and learning resulting from, programs, projects and activities for which the Office is responsible;

"(16) support inclusion of technology applications, as appropriate, in the development of National Education Goals, reform initiatives, and assessment systems;

"(17) develop criteria that identify programs, projects, and practices that effectively use technologies for national dissemination;

"(18) develop, and update periodically, in cooperation with other Federal, State and regional agencies, and noncommercial telecommunications entities, as appropriate, a long-range strategic plan for implementing telecommunications and educational technologies in all schools;

"(19) assess and determine school technology needs such as development, training and equipment linkages;

"(20) review factors such as cost, dissemination, audience, accessibility, and usage in determining the maximum value of various technologies;

"(21) develop and administer special programs for students who are academically disadvantaged, impaired or limited in their use of the English language, in order to make available affordable infrastructure or appropriate methods of instruction that will improve such students' ability to attain a high level of academic achievement;

"(22) coordinate Federal, State, and local telecommunications franchising authorities for purposes of favorable rate regulations governing educational uses of telecommunications;

"(23) provide leadership for the development of universal connections for educational and information providers to national high performance educational computing and communications networks, including the National Research Education Network and Telstar 401, that will allow educational professionals, students, parents, and the general public to access resources available through such networks;

"(24) support and coordinate the activities of the regional educational technology assistance consortia described in section 304 of the Technology for Education Act of 1993 to enable schools to utilize technology-enhanced curriculum, instruction, and administrative support resources and services; and

"(25) provide an annual report to the Secretary and the Congress, documenting

progress toward implementing the provisions of the Technology For Education Act of 1993.

(c) **ADDITIONAL OFFICE ACTIVITIES.**—The Assistant Secretary shall provide technical support related to the application of educational technologies and the use of telecommunication resources to assist in the dissemination of resources identified for dissemination by the Office of Training Technology Transfer, the education resources information clearinghouses, the National Diffusion Network, and the Assistant Secretary on behalf of the Star Schools Program Assistance Act.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$3,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998."

SEC. 102. NATIONAL COMMISSION ON TECHNOLOGY IN EDUCATION.

(a) **ESTABLISHMENT.**—There is established a commission to be known as the National Commission on Technology in Education (hereafter in this section referred to as the "Commission") which shall advise the President and the Congress with respect to the need for, and the provision of, appropriate national educational technology standards, technology-enhanced curriculum, instruction, and administrative resources and services for educational institutions in the United States.

(b) **MEMBERSHIP.**—

(1) **APPOINTMENT OF MEMBERS.**—The President shall appoint 15 members to the Commission, of which—

(A) three shall be appointed because of their expertise in State and local government;

(B) three shall be appointed because of their expertise in the governance or supervision of school district operations, in administering State- or district-wide educational technology programs, in administering elementary or secondary schools, or in the development of technology-enhanced curriculum, instruction, or administrative support programs or services;

(C) four shall be appointed because of their expertise in providing instructional services in university, community college, secondary school, elementary school, preschool, and adult and continuing education environments;

(D) two shall be—

(i) a parent of a school age child; or

(ii) a State or local school board member; and

(E) three shall be appointed because of their expertise in the telecommunications industry (including noncommercial communications), the computer hardware or software industry, or the educational technology resources and services industry.

(2) **TERMS.**—

(A) **IN GENERAL.**—Except as provided in subparagraph (B), members of the Commission shall be appointed for terms of 4 years. Members of the Commission may be reappointed.

(B) **STAGGERED TERMS.**—As designated by the President at the time of initial appointments under paragraph (1), the terms of 5 members shall expire at the end of 3 years, the terms of 5 members shall expire at the end of 4 years, and the terms of 5 members shall expire at the end of 5 years.

(3) **DATE.**—The appointments of members of the Commission shall be made not later than 90 days after the date of enactment of this Act.

(4) **DIVERSITY.**—The President shall make appointments to the Commission by provid-

ing due consideration to gender and ethnicity in order to obtain members who are broadly representative of the ethnic diversity of the United States.

(5) **LIMITATION ON DUAL APPOINTMENTS.**—A member of the Commission may not serve on any other governing or advisory board with-

(A) the Department of Education; or

(B) any other department or agency of the Federal Government.

(6) **CONFIRMATION.**—Appointments to the Commission shall be effective upon confirmation by the United States Senate.

(7) **SELECTION OF CHAIRPERSON.**—The members of the Commission shall elect a Chairperson from among their membership by majority vote of the members of the Commission. The Chairperson shall serve a term of not more than 4 years.

(8) **COMPENSATION OF MEMBERS.**—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of pay for level IV of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including traveltime) during which such member is engaged in the performance of duties of the Commission, as authorized by the Chairperson of the Commission.

(c) **PERSONNEL.**—

(1) **ADMINISTRATIVE AND CLERICAL SUPPORT.**—The Commission shall receive administrative support services from the Office.

(2) **EXECUTIVE SECRETARY.**—The Assistant Secretary shall serve as the Executive Secretary of the Commission in order to facilitate accomplishment of the Commission's functions.

(d) **MEETINGS OF THE COMMISSION.**—

(1) **APPLICABILITY OF THE GOVERNMENT IN THE SUNSHINE ACT.**—The provisions of the Government in the Sunshine Act (5 U.S.C. 552b) shall apply to meetings of the Commission.

(2) **MINIMUM NUMBER OF MEETINGS; FIRST MEETING.**—The Commission shall meet at least twice a year, with the first meeting being held within 120 days of the date of enactment of this Act.

(3) **FREQUENCY OF MEETINGS.**—With the approval of the Chairperson of the Commission and subject to the availability of funds appropriated pursuant to the authority of subsection (f), members of the Commission may meet as often as the Commission determines necessary in order to accomplish the functions of the Commission in a timely manner.

(4) **QUORUM.**—A majority of the Commission shall constitute a quorum for the purpose of conducting the business of the Commission.

(e) **FUNCTIONS.**—The functions of the Commission are as follows:

(1) **IDENTIFY NATIONAL EDUCATIONAL TECHNOLOGY REQUIREMENTS.**—

(A) **TECHNOLOGY INITIATIVES.**—The Commission shall review Federal, State, and local educational technology initiatives, assess their effectiveness and potential for the improvement of education, and make recommendations to the Secretary and the Congress with respect to what technologies are needed and should be made available to learners in the United States.

(B) **NEEDS.**—The Commission shall review the needs of schools and educational institutions for technology, and make Federal policy recommendations for meeting such needs. Such review shall include factors such as equity, accessibility, how many children are reached, cost, quality and demonstrated effectiveness.

(2) **PROVIDE RECOMMENDATIONS WITH RESPECT TO DEPARTMENTAL TECHNOLOGY IN EDU-**

CATION PROGRAMS.—The Commission shall review and make recommendations to the Secretary and the Assistant Secretary with respect to the need for, operation of, effectiveness of, and support and resources available for, educational technology programs and policies throughout the Department of Education and within the Office.

(3) **INDUSTRY, TECHNOLOGY AND EDUCATIONAL CONSORTIA.**—The Commission shall encourage the development of consortia consisting of a representative of the telecommunications and technology industries, and the education community, in order to promote the collaborative development and implementation of educational technologies, projects, and practices that allow for the sharing of public and private resources to enhance school achievement.

(4) **MAKE RECOMMENDATIONS WITH RESPECT TO THE COORDINATION OF FEDERAL PROGRAMS.**—The Commission shall review support and resources available for educational technologies used in Federal programs operating on the date of enactment of this Act and make recommendations to the Secretary and the Congress with respect to the coordination and resource level required to achieve the most effective Federal support for educational technology needs.

(5) **DEVELOP POLICY RECOMMENDATIONS.**—The Commission shall consult with persons having an interest in the uses of technology to support teaching and learning in order to ensure that the interests and concerns of all citizens are represented in national policies for the development, implementation and evaluation of the educational technology infrastructure of the United States.

(6) **COMMITTEE OF EXPERTS.**—The Commission shall appoint a committee of experts representing the telecommunication, computer hardware and software industries, educational software developers, noncommercial telecommunications entities, and the elementary and secondary education community to explore the feasibility and desirability of national education guidelines or standards for educational hardware and software. Such committee shall produce a report which, at a minimum, examines—

(A) standards to ensure that software can be used on the variety of hardware likely to be available in schools;

(B) multimedia standards to allow for the integration of video and audio recordings with text and computer graphics;

(C) user interface standards so that teachers and students will not have to learn totally new techniques for using new software packages;

(D) database interface standards so that students can integrate information from national databases into their work;

(E) communication standards such as those for information exchange and video compression;

(F) interface standards so that educational software and other technology may be integrated together in a way that is easy to use and maintain; and

(G) standards for collecting data about student performance and achievement to guide individual instructional paths and the refinement of curriculum.

(6) **REPORT.**—

(A) **IN GENERAL.**—The Commission shall prepare and submit to the President, the Secretary and the Congress a report every 2 years on the need for the development and implementation of educationally based technologies in educational curriculum throughout the United States. At a minimum, the Commission's report shall include

recommendations with respect to the status of the implementation of the provisions of this Act.

(B) SUBMISSION.—The report described in subparagraph (A) shall be submitted in accordance with such subparagraph within 2 years of the date of enactment of this Act and every 2 years thereafter.

(F) AUTHORIZATION OF APPROPRIATIONS.—

(1) SALARIES AND EXPENSES.—There are authorized to be appropriated \$1,500,000 for each of the fiscal years 1994 through 1998 for the salaries and expenses of the Commission.

(2) FUNCTIONS.—There are authorized to be appropriated \$1,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998, to carry out this section.

TITLE II—SCHOOL TECHNOLOGY SUPPORT

SEC. 201. STATEMENT OF PURPOSES.

It is the purpose of this title to provide Federal assistance in the form of loans, grants, and systemic funding alternatives to support the acquisition, training, use and maintenance in elementary and secondary schools of technology-enhanced curriculum, instruction, and school administration.

SEC. 202. STATE TECHNOLOGY PLANNING GRANTS.

(a) PURPOSE.—It is the purpose of this section to ensure that all States have effective plans for the provision of technology in all schools throughout the State.

(b) GRANTS AUTHORIZED.—

(1) IN GENERAL.—The Assistant Secretary shall award grants to State educational agencies, who in consultation with the Governor and other appropriate State agencies, shall develop a systemic statewide plan to infuse modern technologies into an educational program to enhance student learning and staff development in support of the National Education Goals and State academic standards.

(2) REQUIREMENTS.—Such plan shall—

(A) develop and implement a high speed, statewide, interoperable, wide area communication educational technology infrastructure for all elementary and secondary education institutions within the State; and

(B) emphasize the participation of schools with a high percentage of disadvantaged students.

(c) CONTENT OF PLANS.—At a minimum, each systemic statewide plan described in subsection (b) that is developed in whole or in part, with grant funds under this section, shall—

(1) be developed in collaboration with the Governor, representative of the State legislature, State school boards, other appropriate State agencies, and noncommercial telecommunication entities through a representational process involving input from communities throughout the State;

(2) identify requirements for infusing modern technologies into the classroom to enhance educational curricula;

(3) describe how the application of telecommunications, computer networks, and related advanced technologies in the schools will enhance the curriculum, provide greater access and equity for more students, and help achieve the National Education Goals;

(4) provide for the ongoing training of educational personnel to integrate educational technologies in the classroom and other applications of technology in education;

(5) establish a mechanism for statewide dissemination of exemplary programs and practices;

(6) include an estimate of the funding and resources needed to develop and maintain

the requisite educational technology infrastructure identified in the plan, including the appropriate use of other Federal education funds available to the State or local educational agency;

(7) establish a schedule for the development and implementation of the planned educational technology infrastructure;

(8) develop a plan for the coordination and distribution of grants under this section, section 204, and section 405B(b)(1)(B) of the General Education Provisions Act;

(9) describe how the State educational agency will utilize the services and resources of the regional educational technology assistance consortia;

(10) distribute guidelines to all elementary and secondary schools and educational agencies in the State related to the various programs and initiatives assisted under this Act;

(11) describe how the State will assess the level of—

(A) the statewide implementation of such plan;

(B) the increased access by the elementary and secondary schools to technology-enhanced resources assisted under this section; and

(C) the impact of such plan on school achievement;

(12) describe how State and local educational agencies will coordinate and cooperate with business and industry, as well as noncommercial telecommunications entities to implement standards to meet work force training needs;

(13) describe how the State educational agency will promote the purchase of equipment by local school districts and schools that, when placed in operation, will meet the highest level of interoperability and open system design among—

(A) technology hardware and software, either when used on a stand-alone basis or when connected together within a local area network or a wide area network; and

(B) schools within the State;

(14) will utilize existing telecommunications infrastructure and technology resources; and

(15) create a planning process through which such plan is reviewed and updated periodically.

(d) AMOUNT OF GRANTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Assistant Secretary shall award grants under this section to each State, in each fiscal year, in an amount which bears the same relationship to the amount appropriated pursuant to the authority of subsection (e) as the amount such State received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 in such year bears to the amount received under such chapter by all States in such year.

(2) MINIMUM.—No State shall receive a grant under subsection (b) in an amount which is less than \$100,000.

(3) STATE MATCHING.—

(A) STATE.—Each State receiving a grant under this section shall provide matching funds in an amount equal to 20 percent of such grant funds.

(B) WAIVER.—The Secretary may waive the State matching requirement described in subparagraph (A) for good cause, as determined by the Secretary.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$10,000,000 for the fiscal year 1994, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this section.

SEC. 203. ELEMENTARY AND SECONDARY SCHOOL LIBRARY AND MEDIA SERVICES.

Title IV of the General Education Provisions Act (20 U.S.C. 1221 et seq.) is further amended by adding after section 405A (as added by section 101(b)) the following new section:

“SEC. 405B. ELEMENTARY AND SECONDARY SCHOOL LIBRARY AND MEDIA SERVICES.

“(a) ESTABLISHMENT.—The Assistant Secretary shall establish a Division of Elementary and Secondary School Library Media Services (hereafter in this section referred to as the ‘Division’) within the Office of Educational Technology within 90 days of enactment of the Technology for Education Act of 1993. Such division shall consist of a Director, who shall have primary responsibility for the daily operation of the Division, and of such staff as may be needed to carry out the functions described in subsection (b).

“(b) FUNCTIONS.—

“(1) IN GENERAL.—The Division shall—

“(A) provide information and leadership to elementary and secondary school library media specialists, teachers, and school administrators with respect to—

“(i) the effective operation of library media resources;

“(ii) methods of improving educational programs;

“(iii) training of library media personnel; and

“(iv) the development of library media resources, including resources that will encourage students to acquire skills in other languages; and

“(B) develop, implement and administer grant programs, on a competitive basis, for—

“(i) elementary and secondary school library media center resource development, including projects that—

“(I) enable school library media centers to acquire technologically advanced information management resources;

“(II) provide increased student access to library media center resources through the use of modern information resource technologies; and

“(III) assist in the implementation of distance learning via satellite, microwave, fiber, picture telephones and other visual media;

“(ii) elementary and secondary school library media specialist and teacher partnership for innovative education projects that—

“(I) encourage collaboration between elementary and secondary school library media specialists and teachers in order to develop units of instruction that enable students to use a variety of technologically advanced information resources; and

“(II) expand students’ information-gathering abilities and cognitive skills of selection, analysis, evaluation, and application; and

“(iii) technology in the classroom projects that are linked to a library media center in order to—

“(I) expand the use of computers and computer networks in the curriculum;

“(II) enable elementary and secondary school library media centers to access information from computerized databases and other technologically advanced methods of access to information; and

“(III) assist in the implementation of distance learning via satellite, microwave, fiber, picture telephones and other visual media.

“(2) SPECIAL RULE.—In awarding grants under paragraph (1)(B) the Assistant Secretary shall—

"(A) award grants to schools with the greatest need for library materials and services; and

"(B) ensure that such grants are awarded on an equitable geographic basis.

"(c) COOPERATIVE AGREEMENTS.—The Director of the Division is authorized to enter into such cooperative agreements with the Department of Education, the National Science Foundation, other Federal departments or agencies, noncommercial telecommunications entities, or nonprofit organizations, as the Director determines is necessary to carry out the provisions of this section.

"(d) CONSTRUCTION.—Nothing in this section shall be construed to interfere with State and local initiative and responsibility in the conduct and support of school library media services, the administration of school library media centers, or the selection of personnel or library books and resources.

"(e) SUPPLEMENTATION.—Funds provided under this section shall be used so as to supplement and not to supplant other Federal, State, or local funds available to carry out the activities and services assisted under this section, including funds made available to elementary and secondary school library media centers under the Technology for Education Act of 1993.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated \$45,000,000 for fiscal year 1994, and such sums as may be necessary in each succeeding fiscal year, to carry out this section, of which—

"(1) \$15,000,000 shall be available in each such fiscal year to carry out subsection (b)(2)(A);

"(2) \$15,000,000 shall be available in each such fiscal year to carry out subsection (b)(2)(B); and

"(3) \$15,000,000 shall be available in each such fiscal year to carry out subsection (b)(2)(C)."

SEC. 204. SCHOOL TECHNOLOGY RESOURCE GRANTS AND LOANS.

(a) IN GENERAL.—

(1) IN GENERAL.—The Assistant Secretary shall award grants to State educational agencies having a plan approved under section 202 in order to enable such agencies to provide assistance to local educational agencies and schools having highest percentages of children in poverty and showing the greatest need for technology to enable such local educational agencies and schools to purchase quality technology related equipment, technology-enhanced curriculum, instruction, and administrative support resources and services that improve the instructional programs in schools.

(2) AMOUNT.—(A) Except as provided in subparagraph (B), the Secretary shall award grants under this section to each State educational agency in an amount which bears the same relationship to the amount appropriated pursuant to the authority of subsection (b) as the amount such State received under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 bears to the amount received under such chapter by all States.

(B) No State educational agency shall receive a grant pursuant to subparagraph (A) in an amount which is less than \$100,000.

(3) LIMITATION ON STATE COSTS.—Not more than 5 percent of grant funds awarded to a State educational agency under this section may be used by the State or State educational agency for administrative costs or technical assistance.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated

\$100,000,000 for fiscal year 1994, and such sums as may be necessary in each succeeding fiscal year, to carry out this section.

(c) LOCAL USES OF GRANT FUNDS.—Each local educational agency or school receiving assistance under this section may use such assistance—

(1) to acquire technology-enhanced education resources and services, such as computer hardware, software, and telecommunications services, for use by teachers and students in the classroom in order to support the instructional program offered by schools to assure that students in such schools will have meaningful access on a regular basis to such resources and services;

(2) for staff development in the integration of quality instructional educational technologies into school curriculum and long-term planning for implementing educational technologies;

(3) to acquire connectivity with wide area networks, such as the INTERNET, for purposes of accessing information and educational programming sources outside the local educational agency or school;

(4) for necessary site preparation for the installation of technology-enhanced curriculum, instruction, and administrative support resources and services, except that such acquisitions may not exceed 25 percent of the amount of the assistance provided under this section;

(5) for ongoing technology training and staff development services, resources, or programs that instruct teachers and administrators in the effective integration of technology in the classroom through ongoing, onsite consultation; and

(6) to establish partnerships consisting of a representative of a local educational agency, a college or university, and any other agency the Assistant Secretary deems appropriate, for development and implementation of preservice education programs to train teachers in the application of instructional-based technologies in the curriculum.

(d) SCHOOL PLANS.—Each local educational agency or school desiring assistance under this section shall submit a plan to the State educational agency at such time and in such manner as such agency may prescribe. Such plan shall—

(1) include a strategic, long-range (3- to 5-year), outcome-based plan that includes—

(A) a process for the ongoing evaluation of how technologies acquired under this section—

(i) are being implemented into the school curriculum; and

(ii) are impacting student achievement; and

(B) a description of how the local educational agency or school has involved parents, business leaders and community leaders in the development of such plan;

(2) describe how the assistance will be used to further access for both teachers and students to best teaching practices and best curriculum resources that are aligned with any national educational standards that may be developed;

(3) describe the type of technologies to be acquired, including specific provisions for interoperability among components of such technologies;

(4) include the projected cost of technologies to be acquired and related expenses needed to implement the plan;

(5) include the projected timetable for implementing the technologies in schools;

(6) include an explanation of how the acquired technologies will be integrated into the curriculum to help the local educational

agency or school enhance teaching, training, and student achievement;

(7) describe how the acquired instructionally based technologies will help the local educational agency or school achieve equity in curricular offerings;

(8) describe the supporting resources such as services, software and print resources, which will be acquired to ensure successful and effective use of technologies acquired under this section;

(9) describe how the instructionally based technologies and resources will support any State and national content and teaching educational standards that may be developed;

(10) describe how the local educational agency or school will ensure ongoing, sustained staff development for teachers and administrators in the local educational agency or school regarding the use of technology in the classroom, and contain a list of the source or sources of ongoing training available to such teachers and administrators, such as State technology offices, intermediate educational support units, regional educational laboratories, or institutions of higher education;

(11) describe identifiable, measurable outcome-based levels of achievement in the implementation of the plan that can be used to determine progress and to support decisions to provide additional funds; and

(12) describe how the local educational agency or school will promote the sharing, distribution, and reuse of applications of educational technology that are determined by such agency to be effective in individual schools.

(e) TECHNOLOGY LOANS.—Subsection (a) of section 751 of the Higher Education Act of 1965 (20 U.S.C. 1132f(a)) is amended—

(1) in paragraph (2), by striking "and" after the semicolon;

(2) by redesignating paragraph (3) as paragraph (4);

(3) by adding after paragraph (2) the following new paragraph:

"(3) guarantee, insure or reinsure low-interest, long-term loans to State educational agencies and local educational agencies in order to enable such agencies to obtain resources for distance learning, computer networks and other technology-enhanced curriculum, instruction, and administrative support resources and services that are used in the education process; and"; and

(4) in paragraph (4) (as redesignated by paragraph (2)), by striking "and (2)" and inserting ", (2) and (3)".

SEC. 205. INFORMATION DISSEMINATION.

The Assistant Secretary and National Commission on Technology in Education shall compile and disseminate information on various successful models of integrating technology into education to assist State or local educational agencies, and schools in the development of systemic reform initiatives.

TITLE III—INFORMATION DISSEMINATION, TECHNOLOGY TRAINING AND TECHNICAL ASSISTANCE

SEC. 301. STATEMENT OF PURPOSE.

It is the purpose of this title to ensure that schools have access to all the resources necessary for effectively utilizing technology in the classroom by—

(1) supporting identification and dissemination of information on effective educational programs, resources and services throughout the United States, and, more specifically, to promote information dissemination through electronic means; and

(2) developing a coordinated network of educational technology assistance and training providers, such as universities, regional technology centers, museums, science centers, laboratories supported by the Department of Energy, noncommercial telecommunications entities, other nonprofit organizations, and State and local educational agencies to ensure effective utilization of technology-enhanced curriculum, instruction and educational administrative support resources and services to improve the instructional programs in schools consistent with efforts to achieve the National Education Goals and State academic standards.

SEC. 302. ELECTRONIC DISSEMINATION NETWORK.

The Assistant Secretary, in cooperation with the Federal Communications Commission, the National Science Foundation, the Department of Defense, or any other department or agency of Federal, State and local governments that the Assistant Secretary deems appropriate, shall establish an electronic network for the dissemination of educational information throughout the United States, including information about effective technology-enhanced programs, resources, and services to the extent reasonably possible, the electronic dissemination network should make use of existing networks and networks to be built for other purposes. The electronic dissemination network shall—

(1) provide sufficient staffing and other resources as may be necessary to ensure the effective operation of the Electronic Dissemination Network; and

(2) consult with educators, State and local educational agencies, telecommunications providers, and other stakeholders in the education process throughout the United States to determine information requirements and policies for the effective operation of the Electronic Dissemination Network.

SEC. 303. REGIONAL IMPLEMENTATION AND ASSISTANCE.

(a) **PURPOSE.**—It is the purpose of this section to establish regional educational technology assistance consortia to facilitate information dissemination, planning, resource development, implementation, and evaluation of educational technology applications by States, regional educational organizations, local educational agencies and schools.

(b) **GRANTS AUTHORIZED.**—

(1) **AUTHORITY.**—The Assistant Secretary shall make grants, on a competitive basis, to regional educational technology assistance consortia in accordance with the provisions of this section.

(2) **REQUIREMENTS.**—Each consortium receiving a grant under this section shall—

(A) serve 1 of the 10 regions of the United States served by a regional educational laboratory supported pursuant to section 405(d)(4)(A)(i) of the General Education Provisions Act;

(B) consist of a consortia of State educational agencies, nonprofit organizations, or a combination thereof; and

(C) in cooperation with State and local education programs, develop a regional plan that addresses staff development, technical assistance, information resource dissemination, and program evaluation and reporting needs of the region regarding educational technology.

(3) **SPECIAL RULE.**—Each consortium receiving a grant under this section shall use not less than 80 percent of the grant funds to carry out paragraph (3) of subsection (c).

(c) **FUNCTIONS.**—

(1) **TECHNICAL ASSISTANCE.**—Each consortia receiving a grant under this section shall—

(A) collaborate with State and local education programs in the development of State technology plans and in particular in the development of strategies for reaching those schools with highest percentages of disadvantaged students with little or no access to technology in the classroom;

(B) provide information to States, local educational agencies, and schools on the types and features of various educational technology equipment and software available, evaluate and make recommendations on equipment and software that is suited for a program's particular needs, and compile and share information on creative applications of technology in the classroom;

(C) collaborate with State educational agencies, local educational agencies, or schools in the tailoring of software programs and other supporting materials to meet State curriculum standards and individual needs of schools and students; and

(D) provide technical assistance to facilitate use of the electronic dissemination network by State and local educational agencies and schools throughout the region;

(2) **INFORMATION RESOURCE MANAGEMENT.**—Each consortium receiving a grant under this section shall—

(A) assist the Office in the collection and access of information resources produced by the National Clearinghouse for Mathematics and Science Education, the regional mathematics and science consortia, the National Diffusion Network, and other educational organizations that the Assistant Secretary deems appropriate;

(B) assist in the review and documentation of effective educational programs, resources, and services created or utilized within the region;

(C) facilitate coordination and implementation of an electronic dissemination network and the distance learning described in section 907(a)(4)(B)(ii) of the Star Schools Program Assistance Act;

(D) assist the Office in designing and implementing an interactive telecommunications network to link educational agencies within and among consortia for the purpose of transferring educational information resources, including resources that utilize voice, video, data, and resources that are transmitted over satellite, microwave, cable, fiber, and other means; and

(E) establish a coordinated system of distance education involving microwave technology combined with other technology, as appropriate, that can serve to disseminate information and provide interactive staff development related to new research findings, national educational initiatives, funding and program resources, and educational technology developments and resources appropriate to teaching and learning.

(3) **STAFF DEVELOPMENT.**—Each consortium receiving a grant under this section shall—

(A) develop and implement, in collaboration with State educational agencies, training and technology assistance training that can be offered through site-based intensive summer and school year workshops that utilize the teachers-training-teachers model or accessed through existing and emerging distance educational resources, including—

(i) interactive satellite training telecourses using researchers, educators, and telecommunications personnel who have experience in developing, implementing, or operating educational and instructional technology as a learning tool;

(ii) onsite courses teaching teachers to use educational and instructional technology and to develop their own instructional mate-

rials for effectively incorporating technology and programming in their own classrooms;

(iii) methods for successful integration of instructional technology into the curriculum; and

(iv) video conferences and seminars which offer professional development through peer interaction with experts as well as other teachers using technologies in their classrooms;

(B) develop training resources that are—

(i) relevant to the needs of the region and schools within the region; and

(ii) aligned with the needs of educators and administrators in the region, including educators and administrators from public and private schools;

(C) establish a repository of staff development and technical assistance resources;

(D) work with existing agencies in the region to identify and link technical assistance providers to educational agencies, as needed;

(E) provide followup to ensure that training, staff development, and technical assistance meets the needs of educators served by the region; and

(F) assist colleges and universities within the region to develop and apply for funding to implement preservice training programs for students enrolled in teacher education programs.

(3) **RESOURCE DEVELOPMENT.**—Each consortium receiving a grant under this section shall—

(A) assist educational agencies in the identification and procurement of financial, technological and human resources needed to implement technology plans;

(B) work with the local educational agencies to assist in the development and validation of instructionally based technology education resources;

(C) identify and provide or broker, as appropriate, human and technical resources to assist schools in the application of the resources assisted under this section; and

(D) coordinate activities and establish partnerships with national and State nonprofit professional educational organizations that represent the interests of the region as such interests pertain to the application of technology in teaching, learning, instructional management, dissemination, collection and distribution of educational statistics, and the transfer of student information.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated \$41,000,000 for the fiscal year 1994, and such sums as may be necessary for each of the 4 succeeding fiscal years, to carry out this title, of which—

(1) \$5,000,000 shall be available for the electronic dissemination network described in section 302; and

(2) \$50,000,000 shall be available to support the regional educational technology assistance consortia described in section 303.

TITLE IV—EDUCATIONAL TECHNOLOGY PRODUCT DEVELOPMENT, PRODUCTION, AND DISTRIBUTION

SEC. 401. STATEMENT OF PURPOSE.

It is the purpose of this title to support development, production, and distribution of technology-enhanced curriculum, and instruction and administrative support resources and services, by—

(1) establishing as a priority for federally supported education technology programs the development (as opposed to research) of such programs;

(2) authorizing the Assistant Secretary to support the development, production and dis-

tribution of technology-enhanced instructional resources and services under this title;

(3) providing Federal funding for the joint development, production, and distribution of resources and services by consortia of businesses and educational institutions; and

(4) providing direction for the development of the Ready To Learn Act and the Star Schools Program Assistance Act.

SEC. 402. PRIORITY IN FEDERALLY SUPPORTED EDUCATION PROGRAMS.

Notwithstanding any other provision of law, in awarding funds pursuant to any competitively awarded Federal education program administered by the Secretary, the Secretary shall ensure that a high priority is placed on funding projects that utilize technology-enhanced curriculum, instruction and administrative support resources and services.

SEC. 403. CLASSROOMS FOR THE FUTURE.

(a) **SHORT TITLE.**—This section may be cited as the "Technology for the Classroom Act of 1993".

(b) **PURPOSE.**—It is the purpose of this section to establish a program to develop and expand the use of high quality computer curriculum-based learning resources using state-of-the-art technologies and techniques which are or can be designed to increase the achievement levels of students in subject areas including mathematics, science, geography, history and language arts.

(c) **ACHIEVEMENT GRANTS.**—

(1) **COMPETITIVE GRANTS.**—

(A) **IN GENERAL.**—The Assistant Secretary shall award grants, on a competitive basis, to eligible consortia to enable such eligible consortia to develop computer-based instructional programs or technology-enhanced systems for complete courses or units of study for a specific subject and grade level, if such programs or systems are commercially unavailable in the local area served by such eligible consortia.

(B) **ELIGIBLE CONSORTIUM.**—For the purpose of this subsection the term "eligible consortium" means a consortium—

(1) that shall include—

(I) a State or local educational agency; and
(II) a business or industry; and

(ii) that may include—

(I) a public or private nonprofit organization; or

(II) a postsecondary institution.

(2) **PRIORITY.**—In awarding grants under this subsection, the Assistant Secretary shall give priority to applications describing programs or systems that are developed—

(A) so that the program or system may be adapted and applied nationally at a reasonable cost;

(B) to raise the achievement levels of students, particularly disadvantaged students who are not realizing their potential; and

(C) in consultation with classroom teachers.

(3) **DURATION AND AMOUNT.**—Each grant made under this subsection shall be awarded for a period not to exceed 3 years and in an amount not to exceed \$3,000,000.

(4) **MATCHING REQUIREMENT.**—The Assistant Secretary shall not make a grant to an eligible consortium under paragraph (1) unless the eligible consortium agrees that, with respect to the costs to be incurred by the eligible consortium in carrying out the program or system for which the grant was awarded, the eligible consortium will make available non-Federal contributions in an amount equal to not less than 25 percent of the Federal funds provided under the grant.

(5) **APPLICATION.**—

(A) **IN GENERAL.**—Each eligible consortium desiring a grant under this subsection shall

submit an application to the Assistant Secretary at such time, in such manner, and accompanied by such information as the Assistant Secretary may prescribe.

(B) **CONTENTS.**—Each application submitted pursuant to paragraph (1) shall include—

(i) a description of how the program or system shall improve the achievement levels of students;

(ii) a description of how teachers associated with the program or system will be trained to integrate technology into the classroom;

(iii) an assurance that the program or system shall effectively serve a large number or percentage of economically disadvantaged students; and

(iv) plans for dissemination to a wide audience of learners.

(6) **CRITERIA FOR AWARDING GRANTS.**—In awarding a grant under this subsection to develop a program or system, the Assistant Secretary shall consider the appropriateness and quality of the following elements of the program or system:

(A) Identification of specific learning objectives and strategies of the proposed course or unit of study, that take into consideration any national education standards that may be developed for various disciplines.

(B) Incorporation in creative ways of a variety of technology-enhanced learning resources, such as computer software, databases, films, transparencies, video and audio discs, telecommunications (including educational radio and television), with print resources.

(C) Design that allows tailoring of the program or system to meet individual needs of students, particularly students at greatest risk of not reaching their educational potential.

(D) Flexibility of use by teachers or local schools.

(E) Methods for updating or revising information and resources.

(F) Programs or resources to train and guide teachers.

(G) Coordination with teacher training programs.

(H) Explanatory resources for students and parents.

(I) Field testing and evaluation in terms of stated learning objectives.

(J) Plans for pricing technology-enhanced resources that are affordable for schools and agencies.

(K) Plans for distribution that ensure access for the poorest schools and school districts.

(L) Demonstration of cost-effectiveness in relation to existing programs and to achieving stated learning objectives.

(d) **FEDERAL INTERAGENCY COORDINATION.**—The Assistant Secretary shall coordinate and share information regarding curriculum-based educational technology programs assisted under this section with other Federal agencies which administer programs that support the development of such programs, including the National Science Foundation, the Department of Defense, the Office of Technology Assessment, the Corporation for Public Broadcasting, the Department of Energy, and the Department of Agriculture.

(e) **CONSUMER REPORT.**—The Assistant Secretary shall collect information about products developed pursuant to provisions of this section and the evaluation of such products, and shall disseminate such information in regular reports to State and local educational agencies, and other organizations or individuals that the Assistant Secretary determines to be appropriate.

(f) **ROYALTIES.**—Notwithstanding any other provision of law, any royalties paid to any State or local educational agency as a result of assistance provided under this section shall be used by such agency for further development of curriculum-based learning resources authorized by this section.

(g) **CLOSED CAPTIONING.**—Each eligible consortium receiving a grant under this section shall provide closed captioning, where appropriate.

(h) **AUTHORIZATION OF FUNDS.**—For the purpose of carrying out this section, there are authorized to be appropriated \$45,000,000 for the fiscal year 1994 and such sums as may be necessary for each of the 4 succeeding fiscal years.

SEC. 404. INSTRUCTIONAL BROADCASTING AND VIDEO INSTRUCTIONAL PROGRAMMING.

(a) **STATEMENT OF PURPOSE.**—It is the purpose of this section to support the development of long-term comprehensive instructional programming and associated support resources for elementary and secondary grade core curricula outlined in the National Education Goals so that such resources are distributed electronically to the broadest possible segments of education in the United States and are stored in archival formats that assure maximum access by all educational institutions.

(b) **PROGRAM AUTHORIZED.**—

(1) **IN GENERAL.**—(A) The Assistant Secretary is authorized to award grants to or enter into contracts or cooperative agreements with eligible educational telecommunications partnerships to pay the Federal share of the cost of the research, production, and distribution of instructional programming for students, and staff development programming for teachers.

(B) For the purpose of this section the term "programming" means the full range of audio and video text and graphics used for education and instruction which can be distributed through interactive, command and control or passive methods.

(2) **DURATION.**—The Assistant Secretary shall award grants and enter into contracts or cooperative agreements pursuant to paragraph (1) for a period of not more than 5 years.

(3) **LIMITATION.**—An eligible educational telecommunications partnership may not receive assistance under this section unless such entity has certified that all educational programming prepared and distributed by such partnership, where appropriate, contains closed captioning of the verbal content of such program to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies, unless the provision of closed captioned broadcasting would cause undue administrative or financial burden.

(4) **RENEWALS.**—Grants awarded and contracts or cooperative agreements entered into pursuant to paragraph (1) may be renewed to update and expand such resources.

(5) **COLLABORATION.**—Each eligible educational telecommunications partnership receiving assistance under this section shall collaborate and consult with appropriate education entities in designing the instructional components of programming to ensure that such components are relevant to national and State curriculum frameworks.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—

(1) **IN GENERAL.**—There are authorized to be appropriated \$15,000,000 for fiscal year 1994, and such sums as may be necessary for each succeeding fiscal year, to carry out this section.

(2) AVAILABILITY.—Funds appropriated pursuant to the authority of paragraph (1) shall remain available until expended.

(d) FEDERAL SHARE.—The Federal share of a grant, contract or cooperative agreement under this section in any fiscal year shall not exceed 75 percent.

(e) COORDINATION.—The Department of Education, the National Science Foundation, the Department of Energy, the Department of Agriculture, the Department of Commerce, the Corporation for Public Broadcasting, the public broadcasting services, and any other Federal agency funding educational programming for children may coordinate with and jointly fund activities assisted under this section.

(f) ELIGIBLE EDUCATION TELECOMMUNICATIONS PARTNERSHIPS.—For the purpose of this section, the term "eligible educational telecommunications partnership" means a partnership consisting of the following entities:

(1) A noncommercial telecommunications entity with a demonstrated record of the production of high quality educational video programming.

(2) A recognized organization knowledgeable about the requirements of implementing within or across a content area a curriculum compatible with proposed or established voluntary national content standards, such as an institution of higher education, national professional organizations, or a scientific laboratory.

(3) An instructional design institution that can integrate student and teacher print resources, related computer resources, interactive multimedia and programming series into a coordinated whole.

(4) A marketing entity capable of distributing all aspects of the products developed under this section.

(g) APPLICATIONS.—

(1) APPLICATION REQUIRED.—Each eligible educational telecommunications partnership which desires to receive a grant or enter into a contract or cooperative agreement under this section shall submit an application to the Assistant Secretary, at such time, in such manner, and containing or accompanied by such information as the Assistant Secretary may reasonably require.

(2) CONTENTS OF THE APPLICATION.—Each application submitted under paragraph (1) shall—

(A) describe the programming and such programming's relevance to the core curricula outlined in the National Education Goals;

(B) describe the professional capabilities for which assistance is sought, including—

(i) the research, design, piloting, production, field testing, and distribution of the products developed under this section; and

(ii) the technical facilities available for developing the programming; and

(C) describe the piloting, teacher training and testing of the programming, print, computer, television, radio and interactive media products.

(h) PROGRAMS RELATED OPERATING FUNDS FOR INSTRUCTIONAL TEACHER TRAINING (PROFIT).—The Assistant Secretary shall allow the eligible educational telecommunications partnership to receive a financial benefit from the distribution of programming assisted under this section. Such benefit shall be used by the eligible educational telecommunications partnership to support more development of curriculum specific programming and to provide greater access to a wider audience of educational programming.

SEC. 405. STAR SCHOOLS PROGRAM.

The Star Schools Program Assistance Act (20 U.S.C. 4081 et seq.) is amended to read as follows:

"SEC. 901. PURPOSE.

"It is the purpose of this title to encourage improved instruction in mathematics, science, and foreign languages as well as other subjects, such as literacy skills and vocational education, and to serve underserved populations, including the disadvantaged, illiterate, limited-English proficient, and disabled, through a star schools program under which grants are made to eligible telecommunication partnerships to enable such partnerships to—

"(1) develop, construct, acquire, maintain and operate telecommunications audio and visual facilities and equipment;

"(2) develop and acquire educational and instructional programming; and

"(3) obtain technical assistance for the use of such facilities and instructional programming.

"SEC. 902. GRANTS AUTHORIZED.

"(a) IN GENERAL.—The Assistant Secretary is authorized, in accordance with the provisions of this title, to make grants to eligible telecommunications partnerships to pay the Federal share of the cost of—

"(1) the development, construction, acquisition, maintenance and operation of telecommunications facilities and equipment;

"(2) the development and acquisition of live, interactive instructional programming;

"(3) the development and acquisition of preservice and inservice teacher training programs based on established research regarding teacher-to-teacher mentoring, effective skill transfer, and ongoing, in-class instruction;

"(4) the establishment of teleconferencing facilities and resources for broadcasting interactive training to teachers;

"(5) obtaining technical assistance; and

"(6) the coordination of the design and connectivity of telecommunications networks to reach greater numbers of schools.

"(b) DURATION.—

"(1) IN GENERAL.—The Assistant Secretary shall award grants pursuant to subsection (a) for a period of 5 years.

"(2) RENEWAL.—Grants awarded pursuant to subsection (a) may be renewed for 1 additional 5-year period.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated \$35,000,000 for fiscal year 1994 and such sums as may be necessary for each succeeding fiscal year, to carry out this title.

"(2) AVAILABILITY.—Funds appropriated pursuant to the authority of subsection (a) shall remain available until expended.

"(d) LIMITATIONS.—

"(1) AMOUNT.—A grant made to an eligible telecommunications partnership under this title shall not exceed \$4,000,000 in any 1 fiscal year.

"(2) RESERVATIONS.—

"(A) FACILITIES AND EQUIPMENT.—Not less than 25 percent of the funds available to the Assistant Secretary in any fiscal year under this title shall be used for telecommunications facilities and equipment.

"(B) CERTAIN LOCAL EDUCATIONAL AGENCIES.—Not less than 25 percent of the funds available to the Assistant Secretary in any fiscal year under this title shall be used for the cost of facilities, equipment, teacher training or retaining, technical assistance, or programming, for local educational agencies which are eligible to receive assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

"(e) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share for any fiscal year shall be not more than 75 percent.

"(2) WAIVER.—The Assistant Secretary may reduce or waive the requirements of the non-Federal share required under subparagraph (A) for good cause, as determined by the Assistant Secretary.

"(f) COORDINATION.—The Department of Education, the National Science Foundation, the Department of Agriculture, and any other Federal department or agency operating a telecommunications network for educational purposes, shall coordinate the activities assisted under this title with the activities of such department or agency relating to a telecommunications network for educational purposes.

"(g) CLOSED CAPTIONING.—Each entity receiving funds under this title are encouraged to provide closed captioning of the verbal content of such program, where appropriate, to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.

"SEC. 903. ELIGIBLE TELECOMMUNICATIONS PARTNERSHIPS.

"(a) IN GENERAL.—In order to be eligible for a grant under this title, an eligible telecommunications partnership shall consist of—

"(1) a public agency or corporation established for the purposes of developing and operating telecommunications networks to enhance educational opportunities provided by educational institutions, teacher training centers, and other entities, except that any such agency or corporation shall represent the interest of elementary and secondary schools which are eligible for assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965; or

"(2) a partnership that will provide a telecommunications network and which includes 3 or more of the following entities, at least 1 of which shall be an agency described in subparagraph (A) or (B):

"(A) a local educational agency serving a significant number of elementary and secondary schools that are eligible for assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 or elementary and secondary schools operated for Indian children by the Department of Interior under section 1005(d) of such Act;

"(B) a State educational agency;

"(C) an institution of higher education or a State higher education agency;

"(D) a teacher training center or academy which—

"(i) provides teacher preservice and inservice training; and

"(ii) receives Federal financial assistance or has been approved by a State agency; or

"(E)(i) a public or private entity with experience and expertise in the planning and operation of a telecommunications network, including entities involved in telecommunications through satellite, cable, telephone or computers; or

"(ii) a public broadcasting entity with such experience.

"(b) SPECIAL RULE.—An eligible telecommunications partnership shall be organized on a statewide or multistate basis.

"SEC. 904. APPLICATIONS.

"(a) APPLICATIONS REQUIRED.—

"(1) IN GENERAL.—Each eligible telecommunications partnership which desires to receive a grant under section 902 shall submit an application to the Assistant Secretary, at such time, in such manner, and containing or accompanied by such informa-

tion as the Assistant Secretary may reasonably require.

"(2) SPECIAL RULE.—The Assistant Secretary shall permit applicants for assistance under this Act and applicants for assistance under any other Federal program providing educational technology in the classroom to submit a single application for assistance.

"(b) CONTENTS OF THE APPLICATION.—Each application submitted pursuant to subsection (a) shall—

"(1) describe the telecommunications facilities and equipment and technical assistance for which assistance is sought, which may include—

"(A) the design, development, construction, acquisition, maintenance and operation of State or multistate educational telecommunications networks and technology resource centers;

"(B) microwave, fiber optics, cable, and satellite transmission equipment or any combination thereof;

"(C) reception facilities;

"(D) satellite time;

"(E) production facilities;

"(F) other telecommunications equipment capable of serving a wide geographic area;

"(G) the provision of training services to instructors who will be using the facilities and equipment for which assistance is sought, including training in using such facilities and equipment and training in integrating programs into the classroom curriculum; and

"(H) the development of educational programming for use on a telecommunications network;

"(2) in the case of an application for assistance for instructional programming, describe the types of programming which will be developed to enhance instruction and training and provide assurances that such programming will be designed in consultation with professionals who are experts in the applicable subject matter and grade level;

"(3) demonstrate that the eligible telecommunications partnership has engaged in sufficient survey and analysis of the area to be served to ensure that the services offered by the eligible telecommunications partnership will increase the availability of courses of instruction in mathematics, science, and foreign languages, as well as other subjects to be offered;

"(4) describe the training policies for teachers and other school personnel to be implemented to ensure the effective use of telecommunications facilities and equipment for which assistance is sought;

"(5) provide assurances that the financial interest of the United States in the telecommunications facilities and equipment will be protected for the useful life of such facilities and equipment;

"(6) provide assurances that a significant portion of any facilities and equipment, technical assistance, and programming for which assistance is sought for elementary and secondary schools will be made available to schools of local educational agencies which have a high percentage of children eligible to be counted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(7) describe the manner in which traditionally underserved students, such as students who are disadvantaged, limited-English proficient, disabled, or illiterate will participate in the benefits of the telecommunications facilities, equipment, technical assistance, and programming assisted under this title;

"(8) provide assurances that the applicant will use the funds provided under this title to supplement and not supplant funds otherwise available for the purposes of this title;

"(9) if the applicant is submitting an application for assistance under title II of the Technology for Education Act of 1993, describe how funds received under this title will be coordinated with funds received for educational technology in the classroom under title II of such Act;

"(10) describe the activities or services for which assistance is sought, including activities and services such as—

"(A) providing facilities, equipment, training, services, and technical assistance described in paragraphs (1), (2), (4) and (7);

"(B) making programs accessible to individuals with disabilities through mechanisms such as closed captioning and descriptive video services;

"(C) linking networks together, for example, around an issue of national importance, such as national elections;

"(D) sharing curriculum resources between networks and development of program guides which demonstrate cooperative, cross-network listing of programs for specific curriculum areas;

"(E) providing teacher and student support services including classroom and training support materials which permit student and teacher involvement in the live interactive distance learning telecasts;

"(F) incorporating community resources, such as libraries and museums, into instructional programs;

"(G) providing teacher training to early childhood development and Head Start teachers and staff;

"(H) providing teacher training to vocational education teachers and staff;

"(I) providing teacher training on proposed or established voluntary national content standards in mathematics and science and other disciplines as such standards are developed;

"(J) providing programs for adults at times other than the regular school day in order to maximize the use of telecommunications facilities and equipment; and

"(K) providing parent education programs during and after the regular school day which reinforce the student's course of study and actively involve parents in the learning process; and

"(11) include such additional assurances as the Secretary may reasonably require.

"(c) APPROVAL OF APPLICATION; PRIORITY.—The Assistant Secretary, in approving applications under this title, shall give priority to applications which demonstrate that—

"(1) a concentration and quality of mathematics, science, and foreign languages resources which, by their distribution through the eligible telecommunications partnership, will offer significant new educational opportunities to network participants, particularly to traditionally underserved populations and areas with scarce resources and limited access to courses in mathematics, science, and foreign languages;

"(2) the eligible telecommunications partnership has secured the direct cooperation and involvement of public and private educational institutions, State and local government, and industry in planning the network;

"(3) the eligible telecommunications partnership will serve the broadest range of institutions, including in the case of elementary and secondary schools, those elementary and secondary schools having a significant number of students eligible to be counted under chapter 1 of title I of the Elemen-

tary and Secondary Education Act of 1965, programs providing instruction outside of the school setting, institutions of higher education, teacher training centers, research institutes, and private industry;

"(4) a significant number of educational institutions have agreed to participate or will participate in the use of the telecommunications system for which assistance is sought;

"(5) the eligible telecommunications partnership will have substantial academic and teaching capabilities, including the capability of training, retraining, and service upgrading of teaching skills and the capability to provide professional development leading to comprehensive effective instructional strategies, outcomes-based curriculum and parenting practices;

"(6) the eligible telecommunications partnership will—

"(A) provide a comprehensive range of courses for educators with different skill levels to teach instructional strategies for students with different skill levels;

"(B) provide training to participating educators in ways to integrate telecommunications courses into existing school curriculum; and

"(C) include instruction for students, teachers, and parents;

"(7) the eligible telecommunications partnership will serve a multistate area;

"(8) a telecommunications entity (such as a satellite, cable, telephone, computer, or public or private television stations) will participate in the partnership and will donate equipment or in kind services for telecommunications linkages; and

"(9) the eligible telecommunications partnership will, in providing services with assistance under this title, meet the needs of groups of individuals traditionally excluded from careers in mathematics and science because of discrimination, inaccessibility, or economically disadvantaged backgrounds.

"(d) GEOGRAPHIC DISTRIBUTION.—In approving applications under this title, the Assistant Secretary shall assure an equitable geographic distribution of grants under this title.

"SEC. 905. DISSEMINATION OF COURSES AND RESOURCES UNDER THE STAR SCHOOLS PROGRAM.

"(a) REPORT.—Each eligible telecommunications partnership awarded a grant under this title shall report to the Assistant Secretary a listing and description of available courses of instruction and resources to be offered by educational institutions and teacher training centers which will be transmitted over satellite, specifying the satellite on which such transmission will occur and the time of such transmission.

"(b) DISSEMINATION OF COURSES OF INSTRUCTION.—The Assistant Secretary shall compile and prepare for dissemination a listing and description of available courses of instruction and resources to be offered by educational institutions and teacher training centers equipped with satellite transmission capabilities as reported to the Assistant Secretary under subsection (a).

"(c) DISSEMINATION TO STATE EDUCATIONAL AGENCIES.—The Assistant Secretary shall distribute the list required by subsection (b) to all State educational agencies.

"SEC. 906. ADMINISTRATIVE PROVISIONS.

"(a) CONTINUING ELIGIBILITY.—

"(1) IN GENERAL.—In order to be eligible to receive a grant under this title in any fiscal year after the first fiscal year in which an eligible telecommunications partnership receives a grant under this title, such partner-

ship shall demonstrate in the application submitted pursuant to section 904 that such partnership will—

“(A) continue to provide services in the subject areas and geographic areas assisted with funds received under this title in the previous fiscal year; and

“(B) use all such grant funds to provide expanded services by—

“(i) increasing the number of students, schools or school districts served by the courses of instruction assisted under this title in the previous fiscal year;

“(ii) providing new courses of instruction; and

“(iii) serving new populations of underserved individuals, such as children or adults who are disadvantaged, have limited-English proficiency, are disabled, are illiterate, or lack high school diplomas or their equivalent.

“(2) SPECIAL RULES.—Grant funds received pursuant to the application of paragraph (1) shall be used to supplement and not supplant services provided by the recipient under this title in the previous fiscal year.

“(b) EVALUATION.—

“(1) IN GENERAL.—From amounts appropriated pursuant to the authority of subsection (b), the Secretary shall reserve not more than \$500,000 or 5 percent of such appropriations, whichever is less, to conduct an independent evaluation by grant, contract, or cooperative agreement, of the program assisted under this title.

“(2) SUBMISSION.—The evaluation required under paragraph (1) shall be submitted to the Congress and the Assistant Secretary not later than June 1, 1995.

“(3) CONTENTS.—The evaluation described in paragraph (1) shall include—

“(A) a review of the effectiveness of eligible telecommunications partnerships and programs assisted under this title after Federal funding under this title ceases;

“(B) an analysis of the effectiveness of non-Federal funds provided under this title, including funds leveraged under this title and the permanency of such funding;

“(C) an analysis of how grant recipients under this title spend funds appropriated to carry out this title;

“(D) a review of the subject matter and success of distance learning through programs assisted under this title;

“(E) a comprehensive review of inservice teacher training programs assisted under this title, including the number of teachers trained, time spent in training programs, and a comparison of the effectiveness of such training and conventional teacher training programs;

“(F) an analysis of programs assisted under this title that focus on teacher certification and other requirements and the resulting effect on the delivery of instructional programming;

“(G) the effects of distance learning on curriculum and staffing patterns at participating schools;

“(H) an analysis of the socioeconomic characteristics of students participating in programs assisted under this title, including a review of the differences and effectiveness of programming and services provided to economically disadvantaged and minority students;

“(I) an analysis of the socioeconomic and geographic characteristics of schools participating in programs assisted under this title, including a review of the variety of programming provided to different schools; and

“(J) the impact of dissemination grants under section 907(a) on the use of tech-

nology-enhanced programs in local educational agencies.

“(c) FEDERAL ACTIVITIES.—The Assistant Secretary may assist grant recipients under this title in acquiring satellite time, where appropriate, as economically as possible.

“SEC. 907. OTHER ASSISTANCE.

“(a) DISSEMINATION GRANTS.—

“(1) IN GENERAL.—The Assistant Secretary shall make grants under this subsection to eligible telecommunications partnerships assisted under this title and to eligible entities that enter into an agreement with the Assistant Secretary to provide dissemination and technical assistance to State and local educational agencies not served under this title.

“(2) DEFINITION.—For the purposes of this subsection, the term ‘eligible entity’ means an organization or institution of higher education that has demonstrated expertise in educational applications of technology and provides comprehensive technical assistance to educators and policymakers at the local level.

“(3) RESERVATION.—The Assistant Secretary shall reserve not less than 5 percent and not more than 10 percent of the amount appropriated pursuant to the authority of subsection (c) in each fiscal year to award grants under this subsection.

“(4) APPLICATIONS.—

“(A) IN GENERAL.—Each eligible telecommunications partnership and eligible entity that desires to receive a grant under this subsection shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information, as the Assistant Secretary may reasonably require.

“(B) CONTENTS.—Each applicant described in paragraph (2) shall contain assurances that the eligible telecommunications partnership or eligible entity shall provide technical assistance to State and local educational agencies in order to enable such agencies to plan and implement technology-enhanced systems, including—

“(i) information regarding successful distance learning resources for States, local educational agencies, and schools;

“(ii) assistance in connecting users of distance learning, regional educational services centers, colleges and universities, the private sector, and other relevant entities;

“(iii) assistance and advice in the design and implementation of systems, including needs assessment and technology design; and

“(iv) support for the identification of possible connections, and cost-sharing arrangements for users of such systems.

“(b) SPECIAL STATEWIDE NETWORK.—

“(1) IN GENERAL.—The Assistant Secretary may provide assistance to a statewide telecommunications network under this subsection if such network—

“(A) provides 2-way interactive video and audio communications;

“(B) links together public colleges and universities and secondary schools throughout the State; and

“(C) meets any other requirements determined appropriate by the Secretary.

“(2) STATE CONTRIBUTION.—A statewide telecommunications network assisted under paragraph (1) shall contribute, either directly or through private contributions, non-Federal funds equal to not less than 50 percent of the cost of such network.

“(c) SPECIAL LOCAL NETWORK.—

“(1) IN GENERAL.—The Assistant Secretary may provide assistance to a local educational agency or consortium thereof to enable such agency or consortium to establish a high technology demonstration program.

“(2) PROGRAM REQUIREMENTS.—A high technology demonstration program assisted under paragraph (1) shall—

“(A) include 2-way full motion interactive video, audio and text communications;

“(B) link together elementary and secondary schools, colleges, and universities;

“(C) provide parent participation and family programs;

“(D) include a staff development program; and

“(E) have a significant contribution and participation from business and industry.

“(3) SPECIAL RULE.—Each high technology demonstration program assisted under paragraph (1) shall be of sufficient size and scope to have an effect on meeting the National Education Goals.

“(4) MATCHING REQUIREMENT.—A local educational agency or consortium receiving a grant under paragraph (1) shall provide, either directly or through private contributions, non-Federal matching funds equal to not less than 50 percent of the amount of the grant.

“SEC. 908. DEFINITIONS.

“As used in this title—

“(1) the term ‘educational institution’ means an institution of higher education, a local educational agency, or a State educational agency;

“(2) the term ‘institution of higher education’ has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965;

“(3) the term ‘local educational agency’ has the same meaning given that term by section 1471(12) of the Elementary and Secondary Education Act of 1965;

“(4) the term ‘instructional programming’ means courses of instruction, training courses, and resources used in such instruction and training, which have been prepared in audio and visual form on tape, disc, film, live, and presented by means of telecommunications devices;

“(5) the term ‘public broadcasting entity’ has the same meaning given that term by section 397 of the Communications Act of 1934;

“(6) the term ‘Assistant Secretary’ means the Assistant Secretary for Educational Technology;

“(7) the term ‘State educational agency’ has the same meaning given that term under section 1471(23) of the Elementary and Secondary Education Act of 1965; and

“(8) the term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, and the Commonwealth of the Northern Mariana Islands.”

TITLE V—EDUCATIONAL TECHNOLOGY RESEARCH, DEVELOPMENT AND ASSESSMENT

SEC. 501. PURPOSES.

It is the purpose of this title—

(1) to provide direction and support for the conduct of developmental research on advanced educational technologies;

(2) to support the design and development of educational access to high performance communications and computing services;

(3) to assess the effectiveness of technology in education programs; and

(4) to make an annual status report available to the public regarding the state-of-the-art uses of technology in United States education which private businesses and governments can rely upon for decisionmaking about the need for, and provision of, appro-

propriate technologies for education in the United States.

SEC. 502. APPLICATION OF ADVANCED TECHNOLOGIES TO EDUCATION.

(a) **STATEMENT OF PURPOSE.**—It is the purpose of this section to provide support for the design and development of long-term comprehensive educational applications of advanced high performance computer and communication technologies and video technologies in support of the core subjects of the National Education Goals. Such advanced technologies include systems identified as interactive multimedia, super computing, virtual reality, advanced digital television, telecomputing, and the networks associated with such systems, including video dial tone access.

(b) **GENERAL AUTHORITY.**—The Assistant Secretary, in cooperation with other Federal departments and agencies (including the Advanced Research Projects Agency (ARPA) of the Department of Defense, the Advanced Technology Program of the Department of Commerce, the National Science Foundation, all laboratories supported by the Department of Energy, the National Aeronautics and Space Administration, and the Department of Defense) is authorized to support research on advanced learning technologies.

(c) **PRIORITIES.**—In awarding assistance under this section, the Assistant Secretary shall give the highest priority to research projects which are intended to develop educational applications using advanced technologies which have been used effectively by the Federal Government, or business and industry.

(d) **ELIGIBLE APPLICANTS.**—Any single developer or partnership that can demonstrate both the technological expertise and educational content and instructional design expertise is eligible to apply for assistance under subsection (b).

(e) **APPLICATION REQUIREMENTS.**—Each eligible applicant desiring assistance under this section shall submit an application to the Assistant Secretary at such time, in such manner, and accompanied by such information, as the Assistant Secretary may reasonably require. Each such application shall—

(1) define clearly the scope and content of the subject matter of the research and the relevance of the advanced technology to such content;

(2) describe the potential market for both the hardware and software developed under this section;

(3) assess and test the applications of the advanced technology in a way that will validate the technology and content usage by the proposed students;

(4) develop products that are usable by all students, including disabled, limited-English speaking, gifted and talented, and disadvantaged students; and

(5) develop a marketing plan for the transfer of prototype development into mass distribution or marketing that may be used in homes, schools, or workplaces.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$20,000,000 for fiscal year 1994, and such sums as may be necessary for each succeeding fiscal year, to carry out this section.

SEC. 503. HIGH PERFORMANCE EDUCATIONAL COMPUTING AND TELECOMMUNICATIONS NETWORKS.

(a) **FINDINGS; STATEMENT OF PURPOSE.**—

(1) **FINDINGS.**—The Congress finds that—

(A) throughout the United States various public and private sector groups are developing high performance computing and telecommunications networks;

(B) by the year 2000, such efforts should result in public access to a variety of information resources;

(C) there needs to be more direct coordination among such efforts and a more explicit consideration of the needs of education in the designs of such efforts; and

(D) support and resources are required to permit schools and libraries to take advantage of the explosive growth in communication capabilities and information access that technology provides.

(2) **STATEMENT OF PURPOSE.**—It is the purpose of this section to ensure that such high performance computing and telecommunications networks (often identified as "information highways") are developed with due consideration to the needs of elementary and secondary education and that such networks have explicit provisions which facilitate educational uses in order to ensure that the classrooms and libraries in the Nation's elementary and secondary schools have adequate access to the emerging "information highways".

(b) **AUTHORITY.**—The Assistant Secretary is authorized to—

(1) identify educational high performance computing and telecommunications network requirements;

(2) develop specifications for the implementation of such requirements within any national telecommunications network;

(3) establish prototype operations on existing networks to validate and further develop the educational specifications which will facilitate the use of such networks by kindergarten through twelfth grade students, teachers, administrators, and parents;

(4) represent the needs and interests of elementary and secondary schools in the Federal planning and development of a national information infrastructure; and

(5) identify policy issues, such as communication rate structures and intellectual property rights, that impact upon the ability of the public schools to make effective use of the emerging information highways and make recommendations to the Secretary and the Congress.

(c) **TYPES OF GRANTS.**—The Assistant Secretary shall award the following types of grants:

(1) **REQUIREMENTS GRANTS.**—The Assistant Secretary shall solicit proposals for and award grants to 1 or more entities for the identification of educational high performance computing and telecommunications network requirements. The solicitation shall request proposals which—

(A) identify and describe existing and planned educational high performance computing and telecommunications network efforts;

(B) identify and describe current uses of such networks in kindergarten through twelfth grade education throughout the United States;

(C) identify potential uses of such networks in kindergarten through twelfth grade education by schools throughout the United States;

(D) assess impediments to the development of such networks in kindergarten through twelfth grade education (such as technological impediments, availability of technology-enhanced curriculum, instruction, and administrative support resources and services in local schools; and parent, student, teacher and administrator attitudes toward technology-enhanced education);

(E) assess the anticipated costs and benefits to be derived from such network access in kindergarten through twelfth grade education; and

(F) recommend priorities for development of educational access to such networks based on the anticipated cost benefit analysis.

(2) **SPECIFICATIONS GRANTS.**—The Assistant Secretary shall solicit proposals for and award grants to 1 or more entities for the design and development of educational specifications which may be used to ensure educational access to any national educational high performance computing and telecommunications network. The solicitation shall request proposals which—

(A) incorporate—

(i) the findings of the grant recipients under paragraph (1); and

(ii) the priorities recommended for such networks by the Assistant Secretary with the advice of the National Commission on Technology in Education;

(B) provide for the development of several distinct design alternatives, each with internal design options based on uses of alternative technologies and costs;

(C) provide for the development of specifications for selected design alternatives or of specifications for a composite design;

(D) address technological issues, including—

(i) linkage of schools and communities with each other, with central resource centers, and with Federal and State agencies over existing or planned telecommunications networks, such as INTERNET, the National Research Education Network, and Telstar 401;

(ii) uses of alternative connectivity modes, such as fiber optics, satellites, and land-based broadcasting;

(iii) integrated uses of two-way interactive voice, video, and data communications;

(iv) uses of interactive multimedia;

(v) system capacity, such as maximum telecommunications traffic in a variety of use modes;

(vi) availability of needed technologies;

(vii) availability of support services; and

(viii) assessment of the impact of proposed educational access specifications on existing or planned telecommunications network; and

(E) provide comprehensive specifications which will ensure educational access to any national educational high performance computing and telecommunications network as the primary deliverable product of the specifications grants described in paragraph (1).

(3) **PROTOTYPE DEVELOPMENT GRANTS.**—The Assistant Secretary shall solicit proposals for and award grants to 1 or more entities for prototype operations on existing networks in order to validate and further develop the educational specifications which will facilitate use of existing or planned educational high performance computing and telecommunications networks by kindergarten through twelfth grade students, teachers, administrators, and parents. The solicitation shall request proposals which—

(A) incorporate the design limits of the comprehensive educational high performance computing and telecommunications network specifications developed by grant recipients under paragraph (2);

(B) support prototype operations for at least 1 year in a minimum of 5 test sites which are selected to represent a variety of economic, social, urban and rural settings;

(C) provide for inservice training and technical assistance during the period of prototype operations;

(D) provide provisions for the identification and correction of operational problems during the period of prototype operations (including design flaws);

(E) include a comprehensive evaluation of all aspects of the prototype, including—

- (i) design flaws;
- (ii) training requirements, including resources and strategies for initial and on-going training;
- (iii) technical support requirements;
- (iv) financing constraints;
- (v) availability and utility of information resources and services accessed during the prototype operations period;
- (vi) factors which enhanced or impeded prototype operations; and
- (vii) an overall assessment of the impact of such technology on the educational process; and

(F) provide recommended revisions of the Assistant Secretary's educational high performance computing and telecommunications network specifications based on findings of the comprehensive evaluation of prototype operations.

(d) **TIMELINE.**—The Assistant Secretary shall award grants under this section in accordance with the following:

(1) **REQUIREMENT GRANTS.**—The Assistant Secretary shall award requirement grants under subsection (c)(1) by January 1, 1995.

(2) **DEVELOPMENT OF DESIGN SPECIFICATIONS.**—The Assistant Secretary shall award grants under subsection (c)(2) by January 1, 1996.

(3) **PROTOTYPE OPERATIONS.**—The Assistant Secretary shall award grants under subsection (c)(3) by July 1, 1997.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$2,500,000 for fiscal year 1994, \$2,500,000 for fiscal year 1995, and \$10,000,000 for fiscal year 1996, to carry out this section.

SEC. 504. ASSESSMENT OF TECHNOLOGY IN EDUCATION.

(a) **PURPOSES.**—It is the purpose of this section—

(1) to make an annual status report available to the Congress and the public regarding the state-of-the-art uses of technology in State and local educational programs throughout the United States; and

(2) to support research regarding—

(A) the effectiveness of technology-enhanced curriculum instruction;

(B) administrative support resources and services in improving education in the United States; and

(C) school library media center technological support.

(b) **AUTHORITY.**—The Assistant Secretary, through the Office, shall—

(1) conduct an annual assessment of the uses of technology in State and local educational programs; and

(2) award grants to support research on the effectiveness of technology-enhanced education programs.

(c) **ANNUAL ASSESSMENT.**—The Assistant Secretary shall conduct the annual assessment described in subsection (b)(1) by obtaining input from a variety of sources, including State and local educational agencies, regional technology centers, university preservice and inservice technology training providers, national survey bureaus, and other departments and agencies of the Federal Government.

(1) **TIMING OF THE ASSESSMENTS.**—Each assessment shall be conducted during the normal school year at such a time that the data collection will coincide with other data collections and facilitate data interpretation in reference to other routinely collected educational performance data, such as student enrollment and teacher preparation statistics.

(2) **INTERAGENCY COOPERATION.**—The head of each Federal department or agency that supports an education program shall cooperate with the Assistant Secretary's efforts to assess and report on the utilization of technology-enhanced curriculum, instruction, and administrative support resources and services in federally supported education programs.

(3) **USE OF GOVERNMENT RESOURCES; CONTRACTED SERVICES.**—The Assistant Secretary shall conduct the assessments using the resources of the Office or the resources of any other Federal department or agency made available to the Assistant Secretary, and by contracting for services from the public, private, or nonprofit sectors.

(4) **SUBMISSION.**—The Assistant Secretary's annual assessment shall be submitted to the Congress in the fall of each year.

(d) **EFFECTIVENESS RESEARCH.**—The Assistant Secretary is authorized to provide grants to public or private, nonprofit organizations or institutions for the conduct and dissemination of research on the effectiveness of new technologies for the improvement of education in the United States. In awarding such grants, the Assistant Secretary shall give priority to research projects which focus on—

(1) teaching and learning in the kindergarten through twelfth grade environment;

(2) technology-enhanced curriculum, instruction, and administrative support resources and services developed in whole or in part with Federal funding; or

(3) operational needs of elementary or secondary schools involved in implementing technology-enhanced curriculum, instruction, and administrative support resources and services to achieve the National Education Goals.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated \$5,000,000 for fiscal year 1994, and such sums as may be necessary in each succeeding fiscal year, to carry out this section.

TITLE VI—MISCELLANEOUS

SEC. 601. STUDY OF SYSTEMIC FUNDING ALTERNATIVES.

(a) **IN GENERAL.**—The Assistant Secretary shall conduct a study to evaluate, and report to the Congress on, the feasibility of several alternative models for providing systematic funding for schools throughout the United States so that such schools are able to acquire and maintain technology-enhanced curriculum, instruction, and administrative support resources and services.

(b) **REPORT.**—The report described in subsection (a) shall be presented to the Congress not later than August 1, 1995.

SEC. 602. PARTICIPATION OF PRIVATE SCHOOL CHILDREN.

(a) **PARTICIPATION OF PRIVATE SCHOOL CHILDREN.**—To the extent consistent with the number of children who are enrolled in private nonprofit elementary or secondary schools served by an entity receiving assistance under this Act, such entity shall, after consultation with appropriate private school representatives, make provision for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this Act.

(b) **WAIVER.**—If by reason of any provision of State law an entity receiving assistance under this Act is prohibited from providing for the participation of children from private nonprofit schools as required by subsection (a), or if the Secretary determines that such entity has substantially failed or is unwilling to provide for such participation on an

equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children.

EXECUTIVE SUMMARY—TECHNOLOGY FOR EDUCATION ACT OF 1993

The Bill in five titled sections includes the following:

I. **Leadership for Technology in Education.**—Establishes an Assistant Secretary of Technology in charge of an Office of Educational Technology in the U.S. Department of Education to provide national leadership with the assistance of a 15-member, Presidential Commission on Educational Technology.

II. **School Technology Support.**—Provides Federal funding support State technology in education planning and for the acquisition of technologies by the "poorest" school districts in America. Enables all LEAs to obtain guaranteed, long-term, low-interest loans to acquire needed technologies.

III. **Information Dissemination, Technology Training, and Technical Assistance.**—Creates a national educational information dissemination system consisting of the coordinated resources and activities of existing federally supported networks such as the INTERNET, ERIC and NDN. Establishes regional technical assistance and teacher training consortia throughout the United States.

IV. **Educational Technology Product Development, Production and Distribution.**—Supports development of high quality curriculum-based software and other supporting materials by consortia of private industry and businesses in partnership with educational institutions. Supports development of instructional broadcasting and video instructional programming and extends authorization of the Star Schools Program.

V. **Educational Technology Research, Development and Assessment.**—Funds research on advanced technologies for use in education; supports development of high performance educational computing and telecommunications networks; creates assessments of the effectiveness of technology in education; and requires an annual report on the state-of-the-art with respect to school uses of technology.

SECTION-BY-SECTION SUMMARY

Section 1. Contents include five sections as follows:

I. Leadership for Technology in Education.

II. School Technology Support.

III. Information Dissemination, Technology Training, and Technical Assistance.

IV. Educational Technology Product Development, Production and Distribution.

V. Educational Technology Research, Development and Assessment.

Section 2. Findings. Bill cites potential uses of technology as a tool in the learning process to improve all aspects of education while creating a technologically literate citizenry and internationally competitive work force.

Findings include that—

Technology-enhanced curriculum, instruction, and administrative support resources and services can be used for the "systemic improvement" of education in America;

The acquisition and use of technology in education throughout the United States has been inhibited by—the absence of Federal leadership; the inability of many State and local education agencies to invest in and support the needed technologies; and the limited availability of appropriate technology-enhanced curriculum, instruction, and administrative support resources and services in the education marketplace; and

The acquisition and use of technology-enhanced curriculum, instruction, and administrative support resources and services by elementary and secondary school in the United States must be supported by a comprehensive educational technology infrastructure.

Section 3. The purpose of the Act is to develop and maintain a technologically literate citizenry and internationally competitive work force by encouraging the systemic integration of technology and telecommunications in all aspects of public and private elementary and secondary education in America.

Title I. Leadership for Technology in Education

Section 101. An Office of Educational Technology is established within the U.S. Department of Education managed by a new Assistant Secretary for Educational Technology.

Authorizes \$3 million to establish the Office in FY '94 and such sums as may be needed through FY '98 to fund the activities of the Office which include:

Provide national leadership for policy development for the integration of technology into schools;

Coordinate technology-related education activities, within the Department of Education and, to the extent possible, analogous programs in the Federal Government outside the Department;

Advise on the design, development and use of technology-enhanced networks for information dissemination by the Department of Education (e.g., National Diffusion Network, Office of Training Technology Transfer, and ERIC) and analogous networks in the Federal Government outside the Department;

Manage a new Division of Elementary and Secondary School Library Media Services; and

Administer a new comprehensive school technology support system of grants, loans, and other funding to support:

State and local education technology planning

Development, acquisition and maintenance of technologically advanced information management resources for school libraries and media centers

Staff development programs which emphasize integration of technology into the elementary and secondary curriculum along with technical assistance for schools

Development, acquisition, and maintenance of technology-enhanced curriculum, instruction, and administrative support resources and services.

Promote collaboration among government, business, and educational organizations to expand and improve the use of technology in education.

Section 102. National Commission on Technology in Education. Establishes a 15-member advisory board with members appointed by the President and confirmed by the Senate. [\$2.5 million is authorized in FY94 such sums as may be needed in FY95-FY98.]

Responsibilities of the Commission to the President and Congress include:

Identification of national educational technology requirements for schools;

Recommendations with respect to Department of Education technology programs;

Recommendations with respect to coordination of Federal technology programs outside the Department;

Exploring the feasibility of developing guidelines or standards to help teachers and their students concentrate on using modern technology in the learning process instead of trying to figure out how to make the computers and software work;

Encouragement of industry, technology and educational consortia to support the integration of technology in schools;

Production of a bi-annual report.

Title II. School Technology Support

Section 202. State Technology Planning Grants. Authorizes \$10 million for planning grants to States to be allocated based on the Chapter 1 formula with no State receiving less than \$100,000. Funds will be used by States to develop state-wide plans for—

Integration of technology into all of the classrooms;

Staff development; and

Technical support.

Assessment.

Section 203. Elementary and Secondary School Library and Media Services. Authorizes \$45 million in FY '94 to be allocated as follows—

\$15 million for library media center resource development;

\$15 million for innovative library media specialist and teacher partnership projects;

\$15 million for linking classroom and library media center-based technologies to access information from computerized data banks.

Section 204. School Technology Resource Grants and Loans

Grants. Authorizes \$100 million to support local education agencies and schools having the highest percentages of children in poverty and which show the greatest need for technology in the classroom. These grants are to provide equity in student access to learning technologies throughout the United States.

Loans. Provides guaranteed low-interest loans for LEAs to acquire education technologies under the "Connie Lee" program which is administered by the College Construction Loan Insurance Association.

Section 205. Systemic Funding Alternative. The Secretary of Education is required to study and recommend alternative funding models to support the technology for education requirements of elementary and secondary schools throughout the United States and to present a report on systemic funding alternatives to the Congress by August 1, 1995.

Title III. Information Dissemination, Technology Training and Technical Assistance

Section 301. Purposes of this title are to:

Disseminate information on effective technology-enhanced curriculum, instruction, and administrative support resources and services; and to

Create regional technical assistance and staff development consortia to ensure that technology resources made available through this Act are used effectively by educators.

Section 302. Electronic Dissemination Network.

Authorizes establishment of a method of accessing information to support the integration of technology in education available in Federal government data bases.

Networks are to make use of existing electronic networks and networks built for other purposes (e.g., INTERNET, NREN, ERIC). [\$5 million is authorized for this project in FY '94.]

Section 303. Regional Implementation and Assistance. Provides for competitive grants to establish and maintain a technical assistance and teacher training consortia in each of the 10 regions currently supported by the Department of Education pursuant to section 405(d)(4)(A)(i) of the General Education Provisions Act. [\$50 million is authorized for

technical assistance and teacher training in FY '94 with the amount of available grants in each region being in the same proportion as students in the region.]

Eligible applicants are consortia of State education agencies, or a non-profit organization, or a combination thereof.

Technical assistance provided to schools, LEAs, and SEAs under this section includes:

Educational technology information dissemination including information on—available computer hardware and software, suitability of technologies to particular school needs; and creative applications of technology in the classroom;

Assistance in identifying technology-enhanced materials to support State curriculum standards and needs of individual schools and students;

Facilitate coordination and use of electronic information networks; and

Assistance in the development of a coordinated system of distance education within the region.

Staff Development. In collaboration with State education agencies, technology in education training is provided through site-based intensive summer and school year workshops that utilize teacher-teaching-teachers model or through existing and emerging distance education resources to integrate the use of technology into the curriculum. Provisions are made for the—delivery of on-site training; development of training resources; linkage of technical assistance providers and users; and follow-up and evaluation of training activities.

Title IV. Educational Technology Product Development, Production and Distribution

Section 401. This title supports development, production, and distribution of technology-enhanced curriculum, instruction, and administrative support resources and services.

Section 402. Priority in Federally Supported Education Programs. Requires the Secretary of Education to give priority in competitive grant programs to those applicants whose proposals utilize technology.

Section 403. "Classrooms for the Future". Authorizes \$45 million in FY '94 for the competitive development of high quality curriculum-based software and other supporting materials by consortia of businesses in partnership with educational institutions.

Section 404. Instructional Broadcasting and Video Instructional Programming. Authorizes \$15 million in competitive grants to fund research, production, and distribution of television programming which supports the National Education Goals and is targeted to the school-age audience [Applicants must provide at least 25% of the projects funding and the government may not provide more than 75%.]

Section 405. Star Schools Program. Authorizes \$35 million in FY '94 and such sums as may be necessary for FY '95 through FY '98 for the purposes of extending the Star Schools program for an additional five years.

Title V. Educational Technology Research, Development, and Assessment

Section 501. The purposes of this title are to—

Provide direction and support for developmental research on advanced educational technologies;

Support the design and development of educational access to high performance communications and computing services;

Assess the effectiveness of technology in education programs; and to

Make an annual status report available to the public regarding the state-of-the-art

with respect to uses of technology in schools throughout the United States upon which businesses and governments can rely for decision-making about the need for, and provision of, appropriate technologies for education.

Section 502. Research on Advanced Technologies for Education. Authorizes \$20 million for the design and development of long-term comprehensive educational applications of advanced high performance computer and communications technologies in support of the National Education Goals. Priority in awarding assistance under this section is given to those advanced technologies which have been used effectively by the Federal Government, or in business and industry.

Section 503. High Performance Educational Computing and Telecommunications Networks. Authorizes—

“Requirements Grants” of \$2.5 million in FY '94 for the identification and documentation of high performance educational computing and telecommunications network requirements;

“Specification Grants” of \$2.5 million in FY '95 for the specification of technologies needed to support identified high performance educational computing and telecommunications network requirements identified; and

“Prototype Development Grants” of \$10 million in FY '96 for the implementation of high performance educational computing and telecommunications networks for use by elementary and secondary students, teachers, administrators, and parents.

Section 504. Assessment of Technology in Education. Authorizes \$5 million to support—

Assessments on the effectiveness of technology in education programs; and

An annual assessment of the state-of-the-art with respect to uses of technology in schools throughout the United States upon which businesses and governments can rely for decision-making about the need for and provision of, appropriate technologies for education.

The creation of an Office of Educational Technology in the Department of Education, which would support the use of technology as an educational tool in the classroom and coordinate current and future efforts among Federal agencies to utilize educational technologies;

Establishment of a program to help States develop strategies for integrating technology into classrooms, particularly those with high percentages of disadvantaged students who currently have little or no access to technology-based instructional materials;

A program to emphasize teacher training as part of an overall strategy to make technology effective in the classroom;

Authorization of Federal funding for the development of high-quality curriculum-based software and other supporting materials;

Authorization of a new grant program for States based on their chapter 1 allocation to assist the most disadvantaged schools in purchasing equipment and integrating technology into their curriculum so their students can be exposed to these educational resources; and

Expansion of the national technology infrastructure to link our Nation's elementary and secondary schools for the sharing of ideas among teachers and students and to provide access to the Nation's library resource materials.

This act will provide a national educational technology blueprint to bring our elementary and secondary schools into the 21st century. To keep pace in today's increasingly competitive world, our students must have the advantages that modern technology affords them.

Over the last decade, student performance in the classroom has slipped behind other nations while schools are expected to do more with less and teachers are expected to teach without adequate resources.

Fewer than one out of every five students in grades 4, 8, and 12 show competency in math. About 40 percent of inner-city teachers report that their most serious classroom problem is a lack of basic reading skills among their students. In 1991, 16 percent of all students dropped out of high school. Not liking school and not being able to keep up with schoolwork were the primary reasons given for leaving school.

One way to help is to introduce technology into the classroom. Studies have shown that when educational technologies are integrated into the school curriculum, they have improved the ability of teachers to teach and students to learn.

But the reality is that not many schools—and few students—have the opportunity to enhance their ability to learn with technology because they cannot afford the equipment, and if they can, the teachers aren't trained properly to use it.

The gap between the “haves” and the “have-nots” in the area of technology is one of the most pronounced inequities in our education system. And it is growing every year. The availability of technology for all students is no longer a matter of educational enrichment; it is a matter of economic survival.

The core of education reform should be the principle that all Americans have an opportunity to participate in rich, intellectually challenging courses. The use of modern educational equipment, such as computers, video discs, VCR's, and state-of-the-art software, will not only increase achievement levels, but make learning more fun for students.

The fact is that students who have been exposed to technology in the classroom work harder, score higher than their peers on standardized tests, and have higher attendance rates.

Consider, for example, the Hayes Cooper Center for Math, Science and Technology in the heart of the Mississippi Delta, which brings together 190 students from different social, ethnic, and economic backgrounds in one of the Nation's poorest school districts.

The center provides students with not only a solid science and math background but in all core subjects. Each child has an individualized program tailored to meet his or her learning style or academic needs. An emphasis is placed on a hands-on learning approach, using technology as a learning tool. All students, even kindergartners, are taught computer use, and computer technology is integrated into every academic subject.

Computer software is tailored by the center's teachers to meet State curriculum standards and the national education goals. Parents are given a monthly computer generated report to keep track of their children's progress.

Hayes Cooper contributes a great deal of their success to the 2 weeks of intensive training teachers receive during the summer enabling them to use technology creatively in the classroom. Regular training sessions are also held during the school year. Teachers now have more time to spend with small groups of students, while other students work in teams at one of the classroom's computer terminals. Classrooms are linked by way of computer networks so that teachers can share ideas and participate in team teaching activities with other teachers.

The results have been very encouraging. After 1 year, students reported significant progress over last year's standardized tests scores. Second grade students averaged in the 79th percentile, while the districtwide average was in the 51st percentile. The gap between minority and white students has closed substantially from 25 to around 5 percent. Today, Hayes Center boasts a 99-percent attendance rate. And its 280-member parent association contributes significantly to the school's success.

SUMMARY OF FUND AUTHORIZATIONS

Title, subject to section-topic	Fiscal year 1994 funding (in millions)	Percent of total
I. Leadership for technology in Education	(5.5)	1.7
101—Office/Activities	\$3.0	
102—Commission/Activities	\$2.5	
II. School Technology Support	(155.0)	48.0
202—State Planning	\$10.0	
203—E/Sec Lib/Media	\$45.0	
204—School Resource Grants	\$100.0	
III. Information dissemination, technology training, and technical assistance	(55.0)	17.0
302—electronic dissemination network	\$5.0	
303—Regional technical assistance and training consortia	\$50.0	
IV. Educational technology product development, production and distribution	(80.0)	24.8
403—Product development	\$45.0	
404—Instructional broadcasting	\$15.0	
405—Star schools	\$35.0	
V. Educational technology research, development and assessment	(27.5)	8.5
502—Research on advanced technologies	\$20.0	
503—High performance computing & telecommunications networks	\$2.5	
504—Assessment	\$5.0	
Total funding requirements	\$323	100+

• Mr. COCHRAN. Mr. President, I am pleased to join the distinguished Senator from New Mexico [Mr. BINGAMAN] in introducing the Technology in Education Act of 1993.

The primary objectives of this bill are:

"This school is harder, but it is a lot more fun," explains one Hayes Cooper sixth grade student.

Through the use of technology, Hayes Cooper has adopted a more rigorous course of study which has produced measurable gains and self-confidence for its students. Teachers at the school are invigorated by the positive learning environment, and the children come to school eager to learn.

Another example of how technology has been used to restructure schools and improve learning is the HOTS [higher order thinking skills] program. HOTS replaces the traditional remedial classes of the Federal Chapter 1 educational assistance program for disadvantaged students with computer-based problem solving exercises that incorporate dramatic settings, Socratic debate, and thinking skill development.

HOTS makes use of the newest technologies and learning theory to produce large student gains in reading, writing, math, and science than other remedial approaches, even though no basic skills are taught. According to the U.S. Department of Education's National Diffusion Network, research results show that HOTS students gained almost twice as much in core subjects as the national average for Chapter 1 students. These students who perform well below their peers in the regular classroom respond positively when they are intellectually challenged and become active participants in the learning process.

After 1 year in HOTS, 36 percent of the chapter 1 students at Mary Dill Elementary School in Alter Valley, AZ made the honor roll. At Hopkins, Minnesota's Katherine Curren Elementary, 10 percent of the children were classified as gifted after 1 year in HOTS and placed in the gifted program.

Another program developed by PBS, MacNeil/Lehrer, and Apple Classrooms of the Future—called media fusion—works with news organizations to integrate technology in the classroom. It encourages middle-school students to use computers to search stories featured on the MacNeil/Lehrer news program. It has the benefit of not only teaching students how to use computers and other technological equipment, but it raises their interest in daily events that will affect their lives.

This legislation can be the cornerstone of a Federal educational technology policy for our Nation's elementary and secondary schools. The United States is regarded as the world's leader in higher education. Ninety out of the top 100 colleges and universities in the world are in the United States. This legislation will help us take our place at the top in elementary and secondary education.●

By Mr. HATFIELD:

S. 1042. A bill to amend the Public Health Service Act to establish an Eth-

ical Advisory Board, and for other purposes; to the Committee on Labor and Human Resources.

ESTABLISHMENT OF BIOMEDICAL ETHICS
ADVISORY BOARD

● Mr. HATFIELD. Mr. President, I introduce legislation to establish a national Biomedical Ethics Advisory Board to be housed within the Department of Health and Human Services.

Many of my colleagues are aware of my great concern in the area of biomedical ethics. In each session of Congress since 1987, I have introduced legislation to place a moratorium on allowing the Patent and Trademark Office to issue patents on such living organisms. Until this year, Harvard University received the only such patent for the so-called Harvard Mouse.

Mr. President, I am not here to object to the research that is being conducted using these creatures. My record will show that I am committed to the advancement of scientific research. I believe, however, that the elected members of Government have a solemn duty to ensure that serious social and ethical issues are addressed. For me, the idea of issuing patents on living creatures that have been somehow altered by man raises many serious ethical questions.

Those who have followed the rapidly advancing field of biotechnology know that ethical parameters are very difficult to formulate. The issues became more difficult recently when the National Institutes of Health applied for patents on over 2,000 human DNA gene sequences. Gene sequences bear an intimate relationship to the promising research being conducted by the human genome project at NIH, which I strongly support. But the idea of proprietary patent ownership of these fragments of humanity raise concerns that I believe must be addressed.

The elected officials of the United States bear a large part of the responsibility for seeing that ethical issues such as these are raised, and where appropriate, lines are drawn.

Senators KENNEDY, DECONCINI, and I have requested that the Office of Technology Assessment conduct two reports on this issue. The first report will provide a review of the different governmental approaches to issues of bioethics, including the so-called President's Commission and the defunct Biomedical Ethics Board. Preparation for this included an OTA-sponsored symposium held in December. I attended this symposium where a panel of impressive nationally and internationally known experts discussed the history of biomedical ethics and the prospects for future approaches.

My office has been briefed on the draft version of the first OTA report, which is due out later this summer. The second OTA report will offer a detailed review of the ethical, privacy, environmental, and policy issues in-

involved in different areas of biotechnology. This report should be completed sometime in 1994.

In addition to these reports, both Senators KENNEDY and DECONCINI agreed to hold hearings on this topic. Senator DECONCINI presided over a hearing held September 22, 1992 by the Judiciary Committee's Subcommittee on Patents, Copyrights and Trademarks. I was proud to testify before Senator DECONCINI's subcommittee and believe that his efforts to shed light on these issues have been quite constructive.

I am presently at work with Senator KENNEDY and his fine staff and hope to be able to announce a Labor Committee hearing date soon. It appears that the hearing will take place later this summer or early fall.

Mr. President, it has been my goal throughout to foster dialogue on the difficult bioethical issues faced by this country. My hope has been that these efforts would result in the establishment of a permanent body assembled to study bioethical policy issues and make recommendations to the administration and Congress.

Today I am pleased to take a step toward these objectives by introducing legislation to establish a national ethics advisory board to be located within the Department of Health and Human Services. The board established in this legislation would be composed of 15 members. Five members of the board will be appointed by the President, five by the Senate and five by the House. No congressional membership is provided for. While located under the umbrella of HHS, the board would report to the administration and to Congress.

The board would be part of the Federal research review process already in place at HHS. It would also take requests for review from Congress and would have the authority to choose issues to review on its own motion, but would have no authority to veto research initiatives. The purpose of such a board would be to promote the dialogue that is lacking on so many ethical issues today. This is dialogue that must take place if we are to have any hope of rational and informed decision making in the field of bioethics.

In closing, let me note that the reestablishment of a permanent commission is not a universally supported idea. Students of this issue know that past attempts have taken place with mixed, and at times dismal results. Let me make it clear that I am not wedded to the idea of a permanent ethics advisory board, although the information I have reviewed leads me to believe it is the best approach. One of my purposes in introducing this legislation today is to provide a tangible proposal to be debated and focused on during the upcoming hearings in the Labor Committee.

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1042

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

SECTION 1. ESTABLISHMENT OF ETHICAL ADVISORY BOARD.

Part G of title IV of the Public Health Service Act (42 U.S.C. 289 et seq.) is amended by inserting after section 492 the following new section:

"CERTAIN PROVISIONS REGARDING REVIEW AND APPROVAL OF PROPOSALS FOR RESEARCH

"SEC. 492A. (a) REVIEW AS PRECONDITION TO RESEARCH.—

"(1) PROTECTION OF HUMAN RESEARCH SUBJECTS.—

"(A) In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to review under section 491(a) by an Institutional Review Board unless the application has undergone review in accordance with such section and has been recommended for approval by a majority of the members of the Board conducting such review.

"(B) In the case of research that is subject to review under procedures established by the Secretary for the protection of human subjects in clinical research conducted by the National Institutes of Health, the Secretary may not authorize the conduct of the research unless the research has, pursuant to such procedures, been recommended for approval.

"(2) PEER REVIEW.—In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to technical and scientific peer review under section 492(a) unless the application has undergone peer review in accordance with such section and has been recommended for approval by a majority of the members of the entity conducting such review.

"(b) ETHICAL REVIEW OF RESEARCH.—

"(1) ESTABLISHMENT OF A STANDING ETHICAL ADVISORY BOARD.—

"(A) Not later than 180 days after the date of enactment of this Act, the Secretary, in accordance with subpart B of part 46 of title 45, Code of Federal Regulations, and with the recommendations of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, shall establish a standing Ethical Advisory Board (hereafter referred to in this section as the 'Board').

"(B) The Board shall advise, report on, and make recommendations to the Secretary and the Congress regarding the ethical, legal, and social acceptability of supporting specific biomedical and behavioral research designs, applications, or proposals submitted to it by the Secretary or any Agency Head within the Department, and shall prepare reports and make recommendations concerning ethical policies relating to biomedical and behavioral research referred to it by the Secretary, Agency Heads, or Congressional Committees. With the approval of the Secretary, the Board may develop reports and make recommendations concerning other matters that it considers of major importance to the general public.

"(C)(i) The Board shall be composed of 15 individuals who are not officers or employees of the United States to be appointed as follows:

"(I) Five individuals shall be appointed by the President.

"(II) Five individuals shall be appointed by the Speaker of the House of Representatives in consultation with the Minority Leader.

"(III) Five individuals shall be appointed by the Majority Leader of the Senate in consultation with the Minority Leader.

"(ii) In appointing individuals under clause (i), the appointing authority shall ensure that such individuals possess special qualifications and competence to provide advice and recommendations regarding ethical matters in biomedical and behavioral research. Of the members of the Board—

"(I) at least one shall be an attorney;

"(II) at least one shall be a professional ethicist;

"(III) at least one shall be a practicing physician;

"(IV) at least one shall be a theologian; and

"(V) at least one-third, and no more than one-half, of all such members shall be scientists who have made significant contributions to the advancement of biomedical or behavioral science.

"(D) The terms of service of members of the Board shall be for 3 years. The initial members of the Board shall be appointed to serve staggered terms of 1, 2 or 3 years. If a member does not complete a full term of service, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual. A member may be reappointed to serve no more than two consecutive full terms.

"(E) A member of the Board shall be subject to removal from the Board by the Secretary for neglect of duty, malfeasance, or for other good cause as demonstrated by the Secretary.

"(F) The members of the Board shall select one member to serve as the chairperson of the Board. The chairperson shall serve no more than one consecutive 3-year term.

"(G) In carrying out its responsibilities as described in subparagraph (B), the Board shall hold such inquiries, hold public hearings, enter into contracts the aggregate of which shall not exceed \$300,000 per year, and report to the Secretary and to the Congress the results and recommendations that result from its deliberations.

"(H) With respect to information relevant to the duties described in subparagraph (B), the Board shall have access to all such information possessed by the Department of Health and Human Services, or available to the Secretary from other sources.

"(I) With respect to the duties described in subparagraph (B), the members of the Board shall receive compensation for each day they are engaged in carrying out the purposes of the Board, including time engaged in traveling for such purposes. Such compensation may not be provided in an amount in excess of the maximum rate of basic pay accorded for individuals GS-18 of the General Schedule.

"(J) The Secretary, acting through the Director of the National Institutes of Health, shall provide the Board with staff and such other assistance necessary to carrying out the duties of the Board.

"(K) Prior to reconstituting the Board, the Secretary shall, through a statement published in the Federal Register, announce the intention of the Secretary to constitute the Board.

"(L) A statement issued under subparagraph (K) shall include a request that interested parties submit to the Secretary rec-

ommendations specifying the particular individuals who should be appointed to the Board. The Secretary shall consider such recommendations in making appointments to the Board.

"(M) The appointments to the Board under subparagraph (C) shall not take effect until the expiration of the 30-day period beginning with the date on which the statement required in subparagraph (K) is made with respect to the Board.

"(2) PROCEDURES REGARDING THE WITHHOLDING OF FUNDS.—

"(A) If research has been recommended for approval for purposes of subsection (a), the Secretary may not withhold funding for the research on ethical grounds unless—

"(i) the Secretary refers the proposal within 30 days to the Board in accordance with paragraph (1) to study the ethical implications of the research; and

"(ii)(I) the majority of the Board recommends that, on ethical grounds, the Secretary withhold funds for the research; or

"(II) the majority of the Board recommends that the Secretary not withhold funds for the research on ethical grounds, but the Secretary determines, on the basis of the report submitted under subparagraph (D) that there is a reasonable basis for overruling the Board's recommendations.

"(B) The limitation established in subparagraph (A) regarding the authority to withhold funds on ethical grounds shall apply without regard to whether the withholding of such funds is characterized as a disapproval, a moratorium, a prohibition, or other description.

"(C) Not later than 180 days after the date on which the matter is referred under subparagraph (A) to the Board, the Board shall submit to the Secretary, and to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report describing the findings of the Board regarding the project of research involved and making a recommendation under subparagraph (A)(i) of whether the Secretary should or should not withhold funds for the project. The report shall include the information considered in making the findings."•

By Mr. GLENN (for himself, Mr. FORD, Mr. MCCONNELL, and Mr. LUGAR):

S. 1043. A bill to extend until January 1, 1998, the existing suspension of duty on certain bicycle parts, and for other purposes; to the Committee on Finance.

BICYCLE PARTS DUTY SUSPENSION ACT OF 1993

• Mr. GLENN, Mr. President, today I introduce legislation to amend the Harmonized Tariff Schedule of the United States to suspend the duties on certain bicycle parts until January 1, 1998. I am pleased to have the Senators from Kentucky, Mr. FORD and Mr. MCCONNELL, and the Senator from Indiana, Mr. LUGAR, join me as cosponsors of this bill.

Regular duties on certain bicycle parts not manufactured in the United States have been suspended since 1971. As in the past, this suspension is critical to the competitive health of U.S. bicycle manufacturers, who continue to face intense international competition. Imports have claimed an increas-

share of the U.S. bicycle market; 17 percent in 1979, 30 percent in 1986, 55 percent in 1988, and 37 percent today. This recent positive trend is due primarily to exchange rate adjustments with Taiwan, the principal supplier of imported bicycles. Unfortunately this gain is not likely to be sustained due to an anticipated substantial increase in imports from the People's Republic of China.

Suspension of duties on certain imported bicycle parts is necessary for two basic reasons. First, the bicycle parts covered by the duty suspension are not manufactured in the United States. U.S. bicycle manufacturers must, therefore, purchase these parts abroad. A tariff only penalizes the domestic bicycle manufacturer without protecting a U.S. parts manufacturer. Second, duty suspension also addresses, in part, an unfair bias against domestic bicycle manufacturers in the U.S. tariff schedules. Many imported bicycles are dutiable at a lower rate than most bicycle parts. Imported lightweight bicycles with wheels over 25 inches in diameter face a duty rate of 5.5 percent while most imported bicycle parts face a duty of 10 percent. This anomaly, if uncorrected by duty suspension legislation, enables foreign bicycle manufacturers to assemble bicycles abroad with foreign bicycle parts and import the completed product into the United States subject to the lower duty rate for bicycles. In contrast, our domestic manufacturers must first import certain components necessary to complete the manufacture of a bicycle, because these parts are not available domestically, and these parts come in at the higher rate for parts. The higher price our domestic manufacturers must pay for their imported parts places them at an obvious competitive disadvantage vis-a-vis the foreign competition.

The bill I am introducing today enjoys the support of both the domestic bicycle manufacturers and the domestic bicycle parts manufacturers and is, as far as I know, noncontroversial. Nevertheless, it is vitally important to our domestic bicycle industry's ability to compete against vigorous foreign competition.

I urge my colleagues to support this legislation and ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1043

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

SECTION 1. EXTENSION OF EXISTING SUSPENSION OF DUTY ON CERTAIN BICYCLE PARTS.

The following headings of the Harmonized Tariff Schedule of the United States are each amended by striking "12/31/92" and inserting "12/31/97":

(1) Heading 9902.40.11.

- (2) Heading 9902.73.12.
- (3) Heading 9902.73.15.
- (4) Heading 9902.84.79.
- (5) Heading 9902.85.12.
- (6) Heading 9902.87.14.
- (7) Heading 9902.87.15.
- (8) Heading 9902.87.16.

SEC. 2. RENEWAL OF EXISTING CUSTOMS EXEMPTION APPLICABLE TO BICYCLE PARTS IN FOREIGN TRADE ZONES.

Section 3(b) of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act) (19 U.S.C. 81c(b)) is amended by striking "December 31, 1992" and inserting "December 31, 1997".

SEC. 3. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this Act apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(b) RETROACTIVE PROVISION.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law to the contrary, upon a request filed with the appropriate customs officer before the 195th day after the date of the enactment of this Act, any entry or withdrawal from warehouse for consumption of goods to which any amendment made by this Act applies and that was made—

- (1) after December 31, 1992; and
- (2) before the 15th day after the date of the enactment of this Act;

and with respect to which there would have been a lower duty if the amendment made by this Act had applied to such entry or withdrawal, shall be liquidated or reliquidated as though the amendments made by sections 1 and 2 applied to such entry or withdrawal.●

By Mr. DOLE (for himself, Mr. LUGAR, Mr. GORTON, Mr. D'AMATO, Mr. WALLOP, and Mr. THURMOND):

S. 1044. A bill terminating the United States arms embargo of the Government of Bosnia-Herzegovina; to the Committee on Foreign Relations.

BOSNIA-HERZEGOVINA SELF-DEFENSE ACT OF 1993

Mr. DOLE. Mr. President, I rise today to introduce the Bosnia-Herzegovina Self-Defense Act of 1993—a bill which terminates the United States arms embargo against the Republic of Bosnia-Herzegovina and authorizes no more than \$200 million in military assistance to the Government of Bosnia-Herzegovina. I am pleased to be joined by the distinguished Senator from Indiana, Senator LUGAR, the distinguished Senator from Washington, Senator GORTON, the distinguished Senator from New York, Senator D'AMATO, and the distinguished Senator from Wyoming, Senator WALLOP. This legislation, if adopted would be a big step toward restoring Bosnia-Herzegovina's sovereign rights under the United Nations charter. Moreover, it would provide the Bosnians some means to defend themselves. The issue of lifting the arms embargo against the Bosnian Government, is not just a question of fairness, but of the rights of Bosnia as a state and member of the United Nations. The United States

arms embargo dates back to July of 1991, when the United States adopted a policy suspending all licenses and other approvals to export or otherwise transfer defense articles and services to Yugoslavia. On September 25, 1991, at the request of Yugoslavia, the U.N. Security Council adopted resolution 713, imposing a mandatory international embargo on all deliveries of weapons and military equipment to Yugoslavia.

This U.N. Security Council action was taken prior to the independence of Bosnia and Herzegovina, prior to the Republic of Bosnia and Herzegovina's admission into the United Nations, and prior to the first acts of aggression against Bosnia. The fact is that the arms embargo was placed on the former Yugoslavia—a state which no longer exists.

The U.N. Charter's article 2 states, "This organization is based on the principle of the sovereign equality of all its members." The meaning of this language is clear, yet Bosnia and Herzegovina has not enjoyed this equal status with respect to the right of self-defense—a right contained in article 51 of the U.N. Charter.

Article 51 states:

Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a member of the United Nations, until the Security Council has taken measures necessary to maintain international peace and security.

Mr. President, it is obvious that the measures taken by the Security Council to date in response to the aggression against Bosnia and Herzegovina have been inadequate to maintain international peace and security. To the contrary, continued application to Bosnia of the arms embargo that was imposed on the former Yugoslavia has impaired and continues to impair Bosnia's right to self-defense, thereby encouraging further aggression. To put it plainly, the arms embargo has rendered Bosnia virtually defenseless against Serbian forces which inherited the vast military resources of the Yugoslav Army. As a result, more than 70 percent of Bosnia is occupied, more than 2 million Bosnians are homeless, and more than 150,000 people have died.

Mr. President, should the United States be tied to an unjust policy in a U.N. Security Council resolution which because of changed circumstances now violates the U.N. Charter? In my view the answer is "No." The arms embargo doesn't make any sense in policy or legal terms.

I know that the President is committed to a multilateral approach—I support this approach. But, it seems that multi-lateralism has become the primary goal and good policy the secondary goal. Is the United States going to pursue multilateralism for multilateralism's sake? Or is the United States as the world's only super-

power going to construct the best policy and then work to forge a consensus? In my view, it is no great achievement to get an agreement on a policy which amounts to the lowest common denominator.

In December of last year, the U.N. General Assembly overwhelmingly passed a resolution urging that the arms embargo against Bosnia be lifted—and the United States voted in favor of the option. President Clinton and Secretary of State Christopher maintain that the lifting of the arms embargo against Bosnia remains the "preferred option." Some would argue that we should wait for the Security Council to take action to lift the embargo, but this bill offers an alternative to waiting.

I believe that lifting the arms embargo is the least we can do, and I urge the administration to resume the course it set out on 4 weeks ago. The United States should lead the way in doing what is right. The international community may choose not to follow through on collective defense, but it should not and must not stand in the way of Bosnia's right to self defense.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1044

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 "Bosnia-Herzegovina Self-Defense Act of 1993".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) On July 10, 1991, the United States adopted a policy suspending all licenses and other approvals to export or otherwise transfer defense articles and defense services to Yugoslavia.

(2) On September 25, 1991, the United Nations Security Council adopted Resolution 713, which imposed a mandatory international embargo on all deliveries of weapons and military equipment to Yugoslavia.

(3) The United States considered the policy adopted July 10, 1991, to comply fully with Resolution 713 and therefore took no additional action in response to that resolution.

(4) On January 8, 1992, the United Nations Security Council adopted Resolution 727, which decided that the mandatory arms embargo imposed by Resolution 713 should apply to any independent states that might thereafter emerge on the territory of Yugoslavia.

(5) On February 29 and March 1, 1992, the people of Bosnia-Herzegovina voted in a referendum to declare independence from Yugoslavia.

(6) On April 7, 1992, the United States recognized the Government of Bosnia-Herzegovina.

(7) On May 22, 1992, the Government of Bosnia-Herzegovina was admitted to full membership in the United Nations.

(8) Consistent with Resolution 727, the United States has continued to apply the policy adopted July 10, 1991, to independent

states that have emerged on the territory of the former Yugoslavia, including Bosnia-Herzegovina.

(9) Subsequent to the adoption of Resolution 727 and Bosnia-Herzegovina's independence referendum, the siege of Sarajevo began and fighting spread to other areas of Bosnia-Herzegovina.

(10) The Government of Serbia intervened directly in the fighting by providing significant military, financial, and political support and direction to Serbian-allied irregular forces in Bosnia-Herzegovina.

(11) In statements dated May 1 and May 12, 1992, the Conference on Security and Cooperation in Europe declared that the Government of Serbia and the Serbian-controlled Yugoslav National Army were committing aggression against the Government of Bosnia-Herzegovina and assigned to them prime responsibility for the escalation of bloodshed and destruction.

(12) On May 30, 1992, the United Nations Security Council adopted Resolution 757, which condemned the Government of Serbia for its continued failure to respect the territorial integrity of Bosnia-Herzegovina.

(13) Serbian-allied irregular forces have, over the last year, occupied approximately 70 percent of the territory of Bosnia-Herzegovina, committed gross violations of human rights in the areas they have occupied, and established a secessionist government committed to eventual unification with Serbia.

(14) The military and other support and direction provided to Serbian-allied irregular forces in Bosnia-Herzegovina constitutes an armed attack on the Government of Bosnia-Herzegovina by the Government of Serbia within the meaning of Article 51 of the United Nations Charter.

(15) Under Article 51, the Government of Bosnia-Herzegovina, as a member of the United Nations, has an inherent right of individual or collective self-defense against the armed attack from the Government of Serbia until the United Nations Security Council has taken measures necessary to maintain international peace and security.

(16) The measures taken by the United Nations Security Council in response to the armed attack on Bosnia-Herzegovina have not been adequate to maintain international peace and security.

(17) Bosnia-Herzegovina has been unable successfully to resist the armed attack from Serbia because it lacks the means to counter heavy weaponry that Serbia obtained from the Yugoslav National Army upon the dissolution of Yugoslavia, and because the mandatory international arms embargo has prevented Bosnia-Herzegovina from obtaining from other countries the means to counter such heavy weaponry.

(18) On December 18, 1992, with the affirmative vote of the United States, the United Nations General Assembly adopted Resolution 47/121, which urged the United Nations Security Council to exempt Bosnia-Herzegovina from the mandatory arms embargo imposed by Resolution 713.

(19) In the absence of adequate measures to maintain international peace and security, continued application to the Government of Bosnia-Herzegovina of the mandatory international arms embargo imposed by the United Nations Security Council prior to the armed attack on Bosnia-Herzegovina undermines that government's right of individual or collective self-defense and therefore contravenes Article 51 of the United Nations Charter.

(20) Bosnia-Herzegovina's right of self-defense under Article 51 of the United Nations

Charter includes the right to ask for military assistance from other countries and to receive such assistance if offered.

SEC. 3. UNITED STATES ARMS EMBARGO OF THE GOVERNMENT OF BOSNIA-HERZEGOVINA.

(a) TERMINATION.—The President shall terminate the United States arms embargo of the Government of Bosnia-Herzegovina upon receipt from that government of a request for assistance in exercising its right of self-defense under Article 51 of the United Nations Charter.

(b) DEFINITION.—As used in this section, the term "United States arms embargo of the Government of Bosnia-Herzegovina" means the application to the Government of Bosnia-Herzegovina of—

(1) the policy adopted July 10, 1991, and published in the Federal Register of July 19, 1991 (58 Fed. Reg. 33322) under the heading "Suspension of Munitions Export Licenses to Yugoslavia"; and

(2) any similar policy being applied by the United States Government as of the date of receipt of the request described in subsection (a) pursuant to which approval is routinely denied for transfers of defense articles and defense services to the former Yugoslavia.

SEC. 4. UNITED STATES MILITARY ASSISTANCE FOR BOSNIA-HERZEGOVINA.

(a) POLICY.—The President should provide appropriate military assistance to the Government of Bosnia-Herzegovina upon receipt from that government of a request for assistance in exercising its right of self-defense under Article 51 of the United Nations Charter.

(b) AUTHORIZATION OF MILITARY ASSISTANCE.—

(1) DRAWDOWN AUTHORITY.—If the Government of Bosnia-Herzegovina requests United States assistance in exercising its right of self-defense under Article 51 of the United Nations Charter, the President is authorized to direct the drawdown of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training in order to provide assistance to the Government of Bosnia-Herzegovina. Such assistance shall be provided on such terms and conditions as the President may determine.

(2) LIMITATION ON VALUE OF TRANSFERS.—The aggregate value (as defined in section 664(m) of the Foreign Assistance Act of 1961) of defense articles, defense services, and military education and training provided under this subsection may not exceed \$200,000,000.

(3) EXPIRATION OF AUTHORIZATION.—The authority provided to the President in paragraph (1) expires at the end of fiscal year 1994.

(4) LIMITATION ON ACTIVITIES.—Members of the United States Armed Forces who perform defense services or provide military education and training outside the United States under this subsection may not perform any duties of a combatant nature, including any duties related to training and advising that may engage them in combat activities.

(5) REPORTS TO CONGRESS.—Within 60 days after any exercise of the authority of paragraph (1) and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the defense articles, defense services, and military education and training being provided and the use made of such articles, services, and education and training.

(6) REIMBURSEMENT.—(A) Defense articles, defense services, and military education and

training provided under this subsection shall be made available without reimbursement to the Department of Defense except to the extent that funds are appropriated pursuant to subparagraph (B).

(B) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for the value (as defined in section 664(m) of the Foreign Assistance Act of 1961) of defense articles, defense services, or military education and training provided under this subsection.

By Mr. WOFFORD (for himself and Mr. BRADLEY):

S. 1045. A bill to permit States to establish programs using unemployment funds to assist unemployed individuals in becoming self-employed; to the Committee on Labor and Human Resources.

SELF-EMPLOYMENT OPPORTUNITY ACT

● Mr. WOFFORD. Mr. President, today I am introducing on behalf of myself and Senator BRADLEY the Self-Employment Opportunity Act, which would make self-employment a reemployment option under our unemployment compensation system.

The number of people who are unemployed remains unacceptably high across the country. Our economy is not producing enough new jobs and is losing thousands of high paying jobs. In this time of economic hardship, the Federal-State Unemployment Compensation Program is essential to maintaining the well-being of millions of American families. But it's a system under real stress.

Before coming to the Senate, I served as Pennsylvania's secretary of labor and industry for 4½ years, where one of my responsibilities was to administer our State's unemployment compensation program. So I am well aware of its strengths and weaknesses of this system from the ground up.

It is an important program, a complex program, and a program that can be improved and strengthened.

That's why I introduced the Unemployment Compensation, Reemployment and Fairness Act (S. 320). This legislation includes, among other reforms, a requirement for States to review the reemployment prospects of workers soon after they have lost their jobs so that they can receive necessary services and training before they exhaust their benefits. This reform was enacted into law earlier this year as part of the extended benefits' authorization.

S. 320 also includes a provision to permit States to create self-employment programs. Over the past decade, Canada, Australia, and many Western European nations have put in place programs to make self-employment an alternative for reemployment of unemployed workers.

The Department of Labor is now sponsoring two self-employment State programs in Massachusetts and Washington. The Washington Self-Employment Demonstration Project provides

selected entrepreneurial training and business support services. Financial assistance in the Washington program, includes: Waiver of the UI work search test; payment of regular weekly benefits equal to the claimant's regular UI benefits; and, a lump-sum payment equal to the participant's remaining UI entitlement upon satisfying specific milestones in the process of starting a business.

The Massachusetts Program provides business assistance services to participants similar to those offered in the Washington program. The financial component in Massachusetts includes an exemption for participants from the regular UI work search requirement and self-employment allowances are paid in the same form as regular UI benefits. Early indications are that both programs are having positive results.

I believe that a self-employment option should be widely available as part of our country's unemployment compensation system. Many skilled people are now being laid off from large companies, like IBM, Sears, and Boeing, which are downsizing to meet international competition. For these people, self-employment is often a real option and an option the Government should encourage.

The Self-Employment Opportunity Act builds upon my earlier legislation and is identical to that introduced in the House of Representatives by Representative RON WYDEN of Oregon. The Senate passed similar legislation last year as part of H.R. 11, which was ultimately vetoed by the President.

There may be some who argue that we should wait until the Massachusetts and Washington pilot programs are completed. But I believe we should not wait. There is a real need among skilled people being laid off from their jobs—many of whom thought they would have their jobs forever—for whom self-employment may be the only real employment option in the near future.

In addition, there are no budgetary costs of moving forward. This legislation would not mandate States to implement self-employment programs. And even if a State chose to establish a self-employment program, it would not cost the Federal Government any additional funds. The legislation specifically provides that approved State programs cannot result in any cost to the unemployment trust fund in excess of the cost that would be incurred by such State if it had not participated in a self-employment program.

When Franklin Roosevelt and the Congress together created our present Unemployment Compensation System, he wanted a program that would be flexible—a program that would reflect and adjust to changing employer and worker needs and economic circumstances. That is the idea behind this legislation.

Mr. President, I ask unanimous consent that the full text of the Self-Employment Opportunity Act appear in the RECORD following my remarks.

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

S. 1045

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 "Self-Employment Opportunity Act".

SEC. 2. SELF-EMPLOYMENT PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Labor (hereinafter in this section referred to as the "Secretary") may authorize States to establish and operate self-employment programs that meet the requirements of this section.

(b) REQUIREMENTS.—The Secretary may authorize a State self-employment program, if a State applies to participate in such a program, and the Secretary determines that—

(1) the State program does not result in any cost to the Unemployment Trust Fund (established by section 904(a) of the Social Security Act) in excess of the cost that would be incurred by such State and charged to such Fund if the State had not participated in a self-employment program;

(2) the State program provides unemployment benefits only to individuals who are entitled to unemployment compensation under State law (without regard to any disqualification resulting from self-employment and without regard to any State law relating to availability for work, active search for work, or refusal to accept work);

(3) the State program contains a process to target individuals who have been permanently separated from their jobs or do not expect to be recalled to their jobs;

(4) benefits under the State program are available only to individuals who are likely to receive unemployment compensation for the maximum number of weeks that such compensation is available under the State law during a benefit year; and

(5) the aggregate number of individuals receiving benefits under the State program does not at any time exceed 5 percent of the number of individuals receiving compensation under the State law at such time.

(c) BENEFITS.—If the Secretary authorizes a self-employment program for a State under this section, the State may use the State unemployment fund to provide cash unemployment benefits, exclusive of the expenses of administration, to individuals participating in the program. Such benefits shall be used to assist participating individuals in becoming self-employed.

(d) REPORTS.—

(1) STATE REPORTS.—Any State operating a self-employment program authorized by the Secretary under this section shall report annually to the Secretary on the number of individuals who participate in the program, the number of individuals who are able to develop and sustain businesses, the operating costs of the program, compliance with program requirements, and any other relevant aspects of program operations requested by the Secretary.

(2) REPORTS TO CONGRESS.—Not later than December 31, 1996, based on the reports received from States operating self-employment programs under this section, the Secretary shall report to the Committee on Finance of the Senate and the Committee on

Ways and Means of the House of Representatives with respect to the operation of the State programs. The report shall contain the Secretary's recommendations regarding establishment of a permanent self-employment program as part of the regular unemployment compensation program.

(e) DEFINITIONS.—For purposes of this section, the terms "compensation", "regular compensation", "benefit year", "State", and "State law", have the respective meanings given such terms by section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

(f) TERMINATION.—The provisions of this section shall not apply after September 30, 1997.

By Mr. MOYNIHAN:

S. 1046. A bill to authorize the Architect of the Capitol to develop and implement a plan to improve the Capitol grounds through the elimination and modification of space allocated for parking; to the Committee on Rules and Administration.

ARC OF PARK CAPITOL GROUNDS IMPROVEMENT
ACT OF 1993

Mr. MOYNIHAN. Mr. President, just over 92 years ago, in March 1901, the Senate Committee on the District of Columbia was directed by Senate Resolution to "report to the Senate plans for the development and improvement of the entire park system of the District of Columbia * * * (F)or the purpose of preparing such plans the committee * * * may secure the services of such experts as may be necessary for a proper consideration of the subject."

And secure "such experts" the committee assuredly did. The Committee formed what came to be known as the McMillan Commission, named for committee chairman, Senator James McMillan of Michigan. The Commission's membership was a "who's who" of late 19th and early 20th-century architecture, landscape design, and art: Daniel Burnham, Frederick Law Olmsted, Jr., Charles F. McKim, and Augustus St. Gaudens. The Commission traveled that summer to Rome, Venice, Vienna, Budapest, Paris, and London, studying the landscapes, architecture, and public spaces of the grandest cities in the world. The McMillan Commission returned and fashioned the city of Washington as we now know it.

We are particularly indebted today for the Commission's preservation of the Mall. When the members left for Europe, the Congress had just given the Pennsylvania Railroad a 400-foot wide swath of the Mall for a new station and trackage. It is hard to imagine our city without the uninterrupted stretch of greenery from the Capitol to the Washington Monument, but such would have been the result. Fortunately, when in London, Daniel Burnham was able to convince Pennsylvania Railroad president Cassatt that a site on Massachusetts Avenue would provide a much grander entrance to the city. President Cassatt assented and Daniel Burnham gave us Union Station.

But the focus of the Commission's work was the District's park system. The Commission noted in its report:

Aside from the pleasure and the positive benefits to health that the people derive from public parks, in a capital city like Washington there is a distinct use of public spaces as the indispensable means of giving dignity to Government buildings and of making suitable connections between the great departments * * * (V)istas and axes; sites for monuments and museums; parks and pleasure gardens; fountains and canals; in a word all that goes to make a city a magnificent and consistent work of art were regarded as essential in the plans made by L'Enfant under the direction of the first President and his Secretary of State.

Washington and Jefferson might be disappointed at the affliction now imposed on much of the Capitol Grounds by the automobile.

Despite the ready and convenient availability of the city's Metrorail system, an extraordinary number of Capitol Hill employees drive to work. No doubt many must. But must we provide free parking? If there is one lesson learned from the Intermodal Surface Transportation Efficiency Act of 1991, it is that free goods are always wasted. Free parking is a most powerful incentive to drive to work when the alternative is to pay for public transportation. Furthermore, much as expenses rise to meet income, newly provided parking spaces are instantly filled. At the foot of Pennsylvania Avenue is a scar of angle-parked cars, in parking spaces made available temporarily during construction of the Thurgood Marshall Federal Judiciary Building. Once completed, spaces in the building's garage would be made available to Senate employees and Pennsylvania Avenue would be restored. Not so. The demand for spaces has simply risen to meet the available supply, and the unit block of the Nation's main street remains a disaster.

Today, I am introducing legislation to improve the Capitol Grounds through the near-complete elimination of surface parking. As the Architect of the Capitol eliminates these unsightly lots, they will be reconstructed as public parks, landscaped in the fashion of the Capitol Grounds. I envision what I call an arc of park sweeping around the Capitol from Second Street, Northeast, around to the Capitol Reflecting Pool, and thence back to First Street, Southeast. Delaware Avenue between Columbus Circle and Constitution Avenue would be closed to traffic and rebuilt as a pedestrian walkway, a grand pathway to the Capitol from Union Station.

Finally, there is still the matter of parking. This legislation authorizes the Architect of the Capitol to construct underground parking facilities, as needed. These facilities, which will undoubtedly be expensive, will be financed simply by charging for the parking. A legitimate user fee.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

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

S. 1046

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 "Arc of Park Capitol Grounds Improvement Act of 1993".

SEC. 2. CAPITOL GROUNDS IMPROVEMENT PLAN.

(a) The Architect of the Capitol is authorized to develop and implement a comprehensive plan for the improvement of the grounds of the United States Capitol as described in 40 U.S.C. 193a. Such plan shall be consistent with the 1981 Report on the "Master Plan for the Future Development of the Capitol Grounds and Related Areas" prepared in accordance with Public Law 94-59 (July 25, 1975). Such plan shall result in an "arc of park" sweeping from Second Street, Northeast to the Capitol Reflecting Pool to First Street, Southeast, with the Capitol building as its approximate center. Such plan shall provide for, at a minimum:

(1) elimination of all current surface parking areas, excepting those areas which provide on-street parallel parking spaces;

(2) replacement of off-street surface parking areas with public parks, such parks shall be landscaped in a fashion appropriate to the United States Capitol grounds;

(3) reconstruction of Delaware Avenue, Northeast, between Columbus Circle and Constitution Avenue as a thoroughfare available principally to pedestrians as contemplated by the Master Plan;

(4) elimination of all but parallel parking on Pennsylvania Avenue, between First and Third Streets, Northwest;

(5) to the greatest extent practical, continuation of the Pennsylvania Avenue tree line onto United States Capitol Grounds and implementation of other appropriate landscaping measures necessary to conform Pennsylvania Avenue between First and Third Streets, Northwest, to the aesthetic guidelines adopted by the Pennsylvania Avenue Development Corporation;

(6) closure of Maryland Avenue to through traffic between First and Third Streets, Southwest, consistent with appropriate access to and visitor parking for the United States Botanic Garden;

(7) construction of additional underground parking facilities, as needed, the cost of construction and operation of such parking facilities shall be defrayed to the greatest extent practical by charging appropriate usage fees, including time-of-day fees. Such parking facilities shall be made available to the general public, with priority given to employees of the Congress.

SEC. 3. APPLICABLE LOCAL LAW.

The construction and operation of any improvements under this Act shall not be subject to any law of the District of Columbia or any State or locality relating to taxes on sales, real estate, personal property, special assessments, uses or any other interest or transaction (including any such law enacted by Congress), nor shall they be subject to any law of the District of Columbia relating to use, occupancy or construction, including without limitation building codes, permits, or inspection requirements (including such laws enacted by Congress); provided, however, that the Architect of the Capitol shall comply with appropriate recognized national life safety and building codes in undertaking such construction and operation.

SEC. 4. RESPONSIBILITIES OF THE ARCHITECT OF THE CAPITOL.

The Architect of the Capitol shall be responsible for the structural, mechanical and custodial care and maintenance of the facilities constructed under the Act and may discharge such responsibilities directly or by contract. The Architect of the Capitol may permit the extension of steam and chilled water from the Capitol Power Plant on a reimbursable basis to any facilities or improvements constructed under this Act as a cost of such improvements.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. MURKOWSKI:

S. 1047. A bill to convey certain real property located in Tongass National Forest to Daniel J. Gross, Sr., and Douglas K. Gross, and for other purposes; to the Committee on Energy and Natural Resources.

GROSS FAMILY LAND ACT OF 1993

• Mr. MURKOWSKI. Mr. President, I introduce legislation which would convey certain property located in the Tongass National Forest to Mr. Daniel J. Gross, Sr., and to his brother, Mr. Douglas K. Gross.

The legislation I am introducing today is identical to legislation I introduced during the 102d Congress.

Mr. President, in the early 1930's, Mr. and Mrs. William Lee Gross homesteaded 160.8 acres of land at Green Point on the Stikine River in Southeast Alaska. For many years William Lee and his wife Bessie lived on this land raising their family.

Unfortunately, the Gross' legal documentation to their land was destroyed during a fire in the family home in the winter of 1935-36. Without title to their parents land, Doug and Dan Gross have no legal documentation to the land their parents homesteaded. Without this legislation, the Grosses are in danger of losing their homestead forever.

The Forest Service refused to compromise with Doug and Dan Gross, and will not transfer the title of this land. In fact, the Forest Service already informed me they will oppose any legislation conveying title of this land to Doug and Dan Gross.

It is my hope that congressional consideration of this bill will prompt the Forest Service to reconsider their position and an acceptable compromise will be negotiated.

Doug and Dan Gross have been waiting for this issue to be resolved for over 10 years. If the Forest Service will not transfer title of the Gross' land, I will move to correct this injustice with legislation during the 103d Congress. •

By Mr. BINGAMAN (for himself, Mr. DOMENICI, and Mr. DASCHLE):

S. 1049. A bill to protect Lechuguilla Cave and other resources and values in and adjacent to Carlsbad Caverns National Park, and for other purposes; to

the Committee on Energy and Natural Resources.

LECHUGUILLA CAVE PROTECTION ACT OF 1993

• Mr. BINGAMAN. Mr. President, I introduce legislation that will provide needed additional protection to Lechuguilla Cave and other cave resources located in Carlsbad Caverns National Park. The entrance to Lechuguilla Cave is about 2,000 feet south of the northern boundary of Carlsbad Caverns National Park, within the part of that National Park System unit that has been designated as wilderness.

The cave's existence has been known since the early part of this century, but in 1986 a series of digs led to discovery of a passage leading into more than 60 miles of previously undiscovered passageways. Lechuguilla, the deepest known cave in the United States and more extensive than Carlsbad Cavern itself, has many rare features, including gypsum chandeliers that are described as the best examples in the world of such formations, and overall is considered among the best and most important cave resources in the world.

Carlsbad Caverns National Park is closed to mineral exploration and development, but adjacent public lands are not. Geologists are concerned that too-close mineral development activities would risk unintended alteration of cave structures or contamination of Lechuguilla and other caves.

Last week, the House passed legislation to protect Lechuguilla Cave which was the result of a good deal of hard work and compromise. I want to commend my colleagues BRUCE VENTO, chairman of the Parks and Public Lands Subcommittee of the House Natural Resources Committee, the ranking member of the subcommittee, Congressman HANSEN, and Congressman JOE SKEEN of the Second District of New Mexico for their work.

The legislation I am introducing here today, along with my colleague from New Mexico, Senator DOMENICI, and Senator DASCHLE, who has taken an active interest in this matter, is companion legislation to the bill passed in the House.

The Lechuguilla Cave Protection Act of 1993 requires the following:

Withdrawal from multiple use of approximately 6,280 acres of public lands that are within a designated "cave protection area." No new leases for oil, gas, mining, or other activities will be let in this area.

Where there are existing leases, drilling for mineral resources will be suspended for up to 1 year, or until the Dark Canyon Environmental Impact Statement is completed, whichever occurs first. During this time, the Secretary is directed to enter into negotiations with leaseholders, if necessary, for termination of the lease or for other restrictions, as necessary, in order to ensure that the cave resources

are protected. The Secretary is directed to take such steps he deems appropriate to protect Lechuguilla Cave and the other significant cave resources of Carlsbad Caverns National Park and the lands within the cave protection area.

The legislation also instructs the Secretary to work with private property owners and the State of New Mexico to secure their cooperation for protection of Lechuguilla Cave and other significant cave resources of Carlsbad Caverns.

Mr. President, this bill provides direct and unambiguous protection for the cave resources, while laying out a clear path for handling of existing mineral leases in the cave resource protection area. I urge my colleagues to support speedy passage of this bill in the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1049

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 "Lechuguilla Cave Protection Act of 1993".

SEC. 2. FINDINGS.

Congress finds that Lechuguilla Cave and other significant cave resources of Carlsbad Caverns National Park and adjacent public lands in the cave protection area have internationally significant scientific, environmental, and other values, and should be retained in public ownership and protected against adverse effects of mineral exploration and development and other activities presenting threats to the areas.

SEC. 3. DEFINITIONS.

As used in this Act (except as otherwise specified in this Act):

(1) CAVE PROTECTION AREA.—The term "cave protection area" means the lands within the area depicted on the map referred to in section 4(b).

(2) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(3) OTHER TERMS.—All other terms, including the term "public lands", shall have the same meaning as the terms have in the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

SEC. 4. LAND WITHDRAWAL.

(a) WITHDRAWAL.—Subject to valid existing rights, the approximately 6,280 acres of public lands within the boundaries of the cave protection area that are subject to or may become subject to the operation of the public land laws, are withdrawn from all forms of appropriation or disposal under the public land laws (including the mining and material disposal laws) and from the operation of the mineral leasing and geothermal leasing laws.

(b) LAND DESCRIPTION.—The lands referred to in subsection (a) are the lands generally depicted on the map entitled "Lechuguilla Cave Protection Area" dated April 1993 and filed in accordance with subsection (c).

(c) PUBLICATION, FILING, CORRECTION, AND INSPECTION.—

(1) IN GENERAL.—As soon as is practicable after the date of enactment of this Act, the

Secretary shall publish in the Federal Register a notice containing the legal description of the lands withdrawn under subsection (a) and shall file the legal description and a detailed map of the lands referred to in subsection (a) with the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(2) **FORCE AND EFFECT.**—The map and legal description referred to in paragraph (1) shall have the same force and effect as if included in this Act except that the Secretary may correct clerical and typographical errors in the map and legal description.

(3) **INSPECTION.**—Copies of the map and legal description referred to in subsection (b) shall be available for public inspection in the offices of the Director and appropriate State Director of the Bureau of Land Management.

(d) **MANAGEMENT.**—The public lands withdrawn under subsection (a) shall be managed by the Secretary, acting through the Director of the Bureau of Land Management, pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable laws, including this Act.

SEC. 5. MANAGEMENT OF EXISTING LEASES.

(a) SUSPENSION OF NEW DRILLING.—

(1) IN GENERAL.—

(A) **PROHIBITION.**—The Secretary shall not permit any new drilling on or involving any valid mineral or geothermal leases within the lands withdrawn under section 4.

(B) **SUSPENSION.**—The Secretary shall require the suspension of any activities with respect to mineral or geothermal leases if the Secretary determines that to do so is necessary to prevent an adverse impact on Lechuguilla Cave or other significant cave resources of Carlsbad Caverns National Park and the lands within the cave protection area.

(2) DURATION.—

(A) **IN GENERAL.**—The prohibition on new drilling imposed by the Secretary under paragraph (1) shall remain in effect until the effective date of a record of decision regarding the proposal to drill is analyzed in the Dark Canyon Environmental Impact Statement, or for 12 months after the date of enactment of this Act, whichever occurs first.

(B) **AFTER PROHIBITION PERIOD.**—Nothing in this subsection shall be construed to require the Secretary to permit or prohibit new drilling after the period specified in subparagraph (A).

(b) NEGOTIATIONS.—

(1) **AGREEMENTS FOR TERMINATION OF LEASES.**—During the period specified in subsection (a)(2), the Secretary shall seek the agreement of the holder of a valid existing mineral or geothermal lease on the public lands withdrawn under section 4(a) for the termination of the lease or to such restrictions on activities on lands covered by the lease as the Secretary determines to be appropriate to protect Lechuguilla Cave and the other significant cave resources of Carlsbad Caverns National Park and the lands within the cave protection area. The Secretary shall seek such agreement with due regard to the value of the oil and gas resources which the owners thereof will not be allowed to recover or produce.

(2) NO AGREEMENT.—

(A) **IN GENERAL.**—With respect to any lease for which no agreement of the type described in paragraph (1) has been reached at the end of the period specified in subsection (a)(2), the Secretary shall take such steps as the Secretary determines to be appropriate to protect Lechuguilla Cave and the other sig-

nificant cave resources of Carlsbad Caverns National Park and the lands within the cave protection area.

(B) **OPTIONS.**—The steps referred to in subparagraph (A) may include acquisition of the lands covered by the lease or other interests. In the event of an acquisition, any lands or interests therein acquired by the Secretary shall be managed pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable laws, including this Act.

(3) **COOPERATION OF OTHER PARTIES.**—To the extent the Secretary determines is desirable, the Secretary shall seek the cooperation of the State of New Mexico and any other parties owning lands within the cave protection area with respect to such restrictions on the use of relevant lands owned by the parties as the Secretary may suggest to further the protection of Lechuguilla Cave and the other significant cave resources of Carlsbad Caverns National Park and the lands within the cave protection area.

SEC. 6. ADDITIONAL PROTECTION AND RELATION TO OTHER LAWS.

(a) ADDITIONAL PROTECTION.—

(1) **IN GENERAL.**—The Secretary shall take additional steps to protect Lechuguilla Cave or the other significant cave resources of Carlsbad Caverns National Park and the lands within the cave protection area, if on the basis of scientific analysis found by the Secretary to be relevant and credible, the Secretary determines it is appropriate to do so.

(2) **LIMITATIONS ON ACCESS.**—To the extent the Secretary finds appropriate to protect Lechuguilla Cave and the other significant cave resources of Carlsbad Caverns National Park or the lands within the cave protection area, the Secretary may limit or prohibit access to or across lands owned by the United States or prohibit the removal from the lands any mineral, geological, or cave resources except as the Secretary may permit for scientific purposes.

(3) **INSUFFICIENT AUTHORITY.**—If the Secretary determines that existing law, including this Act, provides the Secretary insufficient authority to take any step the Secretary determines to be desirable to protect Lechuguilla Cave or other significant cave resources of Carlsbad Caverns National Park or the lands within the cave protection area, the Secretary shall inform the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate concerning the additional authority the Secretary believes to be necessary.

(b) **RELATION TO OTHER LAWS.**—Nothing in this Act shall be construed as increasing or diminishing the ability of any party to seek compensation pursuant to any applicable law, including section 1491 of title 28, United States Code (commonly referred to as the "Tucker Act"), or as precluding any defense or claim otherwise available to the United States in connection with any action seeking compensation from the United States.●

● **Mr. DOMENICI.** Mr. President, I am pleased to join the other Senator from New Mexico, Senator BINGAMAN, who is sponsoring legislation to protect Lechuguilla Cave, a premier cave, and its associated subterranean environment found within southeast New Mexico.

Lechuguilla Cave, is a world class cave that deserves our protection due to its spectacular features and the length of its system. Even though the

area where Lechuguilla Cave is found has other spectacular cave networks such as the impressive Carlsbad Caverns, Lechuguilla Cave is impressive enough in its own right to stand alone as a treasured resource. The cave is a system with over 59 miles of mapped passages.

While the formation of most caves is created by the dissolution of carbonic acid, Lechuguilla Cave was created from the process of sulfuric acid accumulating along natural fractures, dissolving carbonates, carrying them away and creating an opening in the underground strata. The Capitan Reef area is known for its creation of caves and cavern development, which includes Lechuguilla Cave.

This immense cave, as it is known today, is probably but a small portion of what will eventually be discovered and mapped. The volume of air that moves from its passages far exceeds its present known volumetric size, which suggests that the known cave network may only comprise 2 percent of the total suspected network. What additional passages and connectors within Lechuguilla Cave will be found is impossible to predict, but the likelihood of this already impressively large cave to be of even greater magnitude is highly probable.

Apart from its size, Lechuguilla Cave has other outstanding characteristics, such as its formations and environment, which are reason enough for its protection. The evolution to the present cave environment suggests that this process was unique. It is the only cave that subaqueous helectite formations. Many of the more common formations found within the cave are considered some of the best and most impressive examples in the world. But this cave environment is intriguing not only for its internal structural architecture, but also for its biological community. The discovery of the cave has led to the finding of several species of bacteria which oxidize sulfur in order to obtain energy, a chemosynthetic ecosystem. This chemical process of using mineral elements for energy production is an extremely rare physical-biological relationship used by bacteria.

Lechuguilla Cave has been fortunate, for it has been treated gently by those that have entered to learn and enjoy its special attractions. Special effort has been exercised to keep the influences of human intrusion into this environment at a minimum, with man as a mere visitor into one of nature's extraordinary environments. Therefore, we have the opportunity to have a cave ecosystem that is minimally impacted from man, and therefore, available for scientific study of its unique physical and biological interrelationships. The cave offers a rare opportunity which must be protected by controlling future activities in and around the cave.

The local geology of the area produces reservoirs of valuable oil and natural gas. The area is located in the Capitan Reef complex, one of the most exposed and most studied reef complexes in the world. It lies between the northwest shelf and the Delaware Basin of the Permian Basin structure. The geologic stratigraphy and structure around the cave formation have potential for gas production, with gas production leases already within the protection area. Mineral leases have been obtained by holders who obtained these leases before the cave was discovered, with the expectation that they would be allowed to bring these leases into full production.

The potential conflict between cave resources and mining requires detailed environmental information to properly assess whether mining can be carried out consistent with adequate protection of the cave. Obviously, no new leases would be authorized within the protection area. For the existing mineral leases, the Bureau of Land Management is conducting the Dark Canyon environmental impact statement on an area around the cave. The impact statement addresses the compatibility of drilling the present leases within the area. This legislation does not attempt to override agency assessment and subsequent action of the existing leases, but emphasizes the importance of the cave and need for a determination on the compatibility of drilling. The Bureau of Land Management's Dark Canyon environmental impact statement should be completed this fall, when a decision will be made on whether and how to drill on these existing leases. It is important to both the supporters of cave protection and those who hold leases that the Bureau of Land Management's decision on drilling is made based upon the best scientific information available and made expeditiously.

I strongly believe that the Lechuguilla Cave should be protected due to the significance of this cave resource, but I recognize that providing protection may affect valid interests of the mineral leaseholders. It is appropriate that under this bill, the leaseholders will be kept involved in the decision process and that a solution be found that is reasonable and fair to all affected interests.●

By Mr. MITCHELL (for Mr. KRUEGER):

S. 1050. A bill to designate the Federal building located at 525 Griffin Street in Dallas, TX; as the "A. Maceo Smith Federal Building;" to the Committee on Environment and Public Works.

A. MACEO SMITH FEDERAL BUILDING ACT OF 1993

Mr. KRUEGER. Mr. President, I introduce legislation that will result in a long overdue recognition of a great American and great leader in the black community in Texas.

Founder of the Negro Chamber of Commerce in the early 1930's, A. Maceo Smith was a vital force in integrating black Americans into the business and political community for more than 40 years. Through his example and motivation, a generation and more of black Americans have sought an education that might otherwise have passed them by, have pursued careers in commerce and public service that they might never have had access to, and have taken a rising place in the lives of Texas and especially Dallas.

The bill I am introducing designates the building at 525 Griffin Street in Dallas as the A. Maceo Smith Federal Building. Through this bill, Mr. President, A. Maceo Smith will become the first black American to have a Federal building named in his honor in the city of Dallas. This first is a fitting monument to the life of a distinguished and accomplished man who inspired so many hearts and careers.

I ask unanimous consent that following my remarks the full text of the bill be printed in the RECORD.

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

S. 1050

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

SECTION 1. DESIGNATION.

The Federal building located at 525 Griffin Street in Dallas, Texas, is designated as the "A. Maceo Smith Federal Building".

SEC. 2. LEGAL REFERENCES.

Any reference in a law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "A. Maceo Smith Federal Building".

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

S. 1051. A bill to amend title XVIII of the Social Security Act to extend the period during which Medicare-dependent, small rural hospitals receive additional payments under the Medicare Program for the operating costs of inpatient hospital services, to revise the criteria for determining whether hospitals are eligible for such additional payments, and to provide additional payments under the Medicare Program to other Medicare-dependent hospitals; to the Committee on Finance.

HIGH MEDICARE HOSPITAL RELIEF ACT OF 1993

● Mr. MACK. Mr. President, I wanted to bring to the attention of my colleagues a hospital payment issue of critical importance to Medicare's beneficiaries. This issue concerns high-Medicare hospitals, those hospitals with a disproportionate share of their inpatient days devoted to the care of Medicare patients. There are approximately 600 high-Medicare hospitals nationwide, in both urban and rural areas, which continue to struggle financially on a day-to-day basis, while providing quality health care to an ever-growing Medicare patient population.

High-Medicare hospitals are experiencing severely reduced, and in many cases, negative Medicare operating margins. Because of the very nature of these hospitals, there are few privately insured patients to compensate for Medicare losses. They have little or no choice but to either cut back on medical personnel or consider a reduction in services. Additionally, when these hospitals attempt to cost-shift, they become less competitive and risk losing the few non-Medicare payers for whom they provide care.

To address the plight of these high-Medicare hospitals, Senator GRAHAM has joined me in introducing the High Medicare Hospital Relief Act of 1993. This bill provides relief under the prospective payment system [PPS] for urban and large rural high-Medicare hospitals and it continues the relief currently afforded small rural Medicare-dependent hospitals. The legislation extends until March 31, 1996, the relief given to rural Medicare-dependent hospitals under OBRA '89. For urban and large rural high-Medicare hospitals, the bill provides an additional per case payment of 3 percent. The intent of this legislation is to place these Medicare-dependent hospitals on an equal footing with other PPS hospitals. This relief will protect Medicare-dependent hospitals which are most vulnerable to any further reductions in Medicare reimbursements.

Mr. President, this issue is not a question of large States versus small State. It is not a question of urban areas versus rural areas. It is, quite simply, a question of fairness and equity for all hospitals providing health care to America's seniors.

The hospitals which would benefit from this legislation are vital to our Nation's health care system and I urge my colleagues to support this measure.●

● Mr. GRAHAM. Mr. President, today I am reintroducing legislation to provide relief to our Nation's high-Medicare hospitals.

This is the third time in which Senator MACK and I have joined together to sponsor this legislation. In past years we could not solve the problems of struggling hospitals devoting over 65 percent of their inpatient days to the care of Medicare patients. Since 1983, these margins have continued to increase. Thus, each year that we do not assist these hospitals, their financial status worsens.

Over 600 hospitals nationwide are high-Medicare hospitals, and about 50 of these hospitals are located in Florida. These hospitals face constantly escalating pressures under Medicare's hospital prospective payment system [PPS]. Indeed, Medicare data show that high-Medicare hospitals have average Medicare operating margins considerably below that of other facilities. Again, these margins worsen each year.

This trend is disturbing as high-Medicare hospitals are particularly limited in their ability to make up PPS reimbursement shortfalls through non-Medicare payors. In other words, Medicare is the primary source of reimbursement for these hospitals.

Congress did recognize the legitimacy of this problem in 1989 during the enactment of legislation to provide temporary financial relief to certain, small, rural Medicare-dependent hospitals. This measure, however, did not include urban or larger rural hospitals.

The bill we are introducing today utilizes the same philosophy as the Medicare-dependent legislation, but includes urban and larger rural hospitals. In short, the bill would provide a payment adjustment for high-Medicare hospitals to place them in parity with other hospitals reimbursed under PPS.

Mr. President, in the past, ProPAC has acknowledged that operating margins for high-Medicare hospitals are lower than average operating margins for hospitals. ProPAC, however, recommended further review of the issue before supporting a special payment adjustment for high-Medicare hospitals. It is my hope that ongoing work by ProPAC will result in an explanation of this problem and, ultimately, a solution.

In the meantime, we must help the struggling hospitals whose plight worsens each year. I ask my colleagues to support this temporary adjustment during the reconciliation process.●

By Mr. HOLLINGS (for himself, Mr. STEVENS, and Mr. KERRY):

S. 1052. A bill to authorize appropriations for fiscal year 1994 and 1995 for the Coast Guard, and for other purposes; to the Committee on Commerce, Science, and Transportation.

COAST GUARD AUTHORIZATION ACT OF 1993

Mr. HOLLINGS. Mr. President, today I am introducing the Coast Guard Authorization Act of 1993, and I am pleased to be joined in this effort by my colleagues Senators KERRY and STEVENS, who are cosponsors of the bill. This bill provides the core authorization for the Coast Guard for fiscal years 1994 and 1995. The authorization is consistent with the administration's budget request of \$3.812 billion for fiscal year 1994, and represents about a 4-percent overall increase from the level appropriated in fiscal year 1993. The authorization levels for fiscal year 1995 reflect current services with modest increases for inflation and to maintain planned procurement schedules.

As in previous years, the Coast Guard budget does not fully reflect the magnitude of duties performed by this branch of the armed services. The funding levels authorized will require the Coast Guard to continue running a tight ship, particularly given its numerous responsibilities. As I have stated before, in 1790, when the Coast

Guard was first established, its mission was straightforward—to prevent smuggling and collect tax revenues. Since that time, its responsibilities have been expanded significantly to include search and rescue, fisheries law enforcement, drug interdiction, aids to navigation, marine safety, and marine environmental protection. The proposed funding levels in this bill are the minimums needed by the Coast Guard to carry out its many missions.

Coast Guard budget accounts in the legislation are summarized below. Funding levels for fiscal year 1993 are provided for reference.

(In millions of dollars)

	Enacted fiscal year 1993	Authorization—Fiscal year	
		1994	1995
Operating expenses	2,558	2,610	2,712
Acquis, constr., & improve.	340	414	596
Environmental compliance	22	23	24
Research and development	28	25	26
Retired pay	520	549	580
Alteration of bridges	13	13	13

Over two-thirds of the Coast Guard's budget supports operating expenses. This account provides for the operation and maintenance of the multipurpose vessels, aircraft, and shore vessels used to carry out the Coast Guard's missions.

The authorization for capital improvements in this bill will be used for major improvements such as vessel and aircraft acquisition and rehabilitation, information management, and construction and improvement at shore and offshore facilities. Some major initiatives continuing through the next year are replacement of seagoing and coastal buoy tenders, motor lifeboats, and the icebreaker. Also included is funding for the vessel traffic services [VTS] system, a modern port surveillance system that reduces the risk of collisions and groundings. The funding for VTS responds to a 1992 "Port Needs Study" released by the Coast Guard, which identified high-risk ports that would benefit from VTS implementation.

The bill contains \$549 million in fiscal year 1994 and \$580 million in fiscal year 1995 for payments to the retired military personnel of the Coast Guard, Coast Guard Reserve, and former lighthouse service members. Other funding authorizations in the bill include environmental compliance and restoration, research and development, and bridge alteration. Spending for environmental compliance is needed to bring current and former Coast Guard facilities into conformance with national environmental standards.

The legislation also contains several provisions which amend existing Coast Guard administrative statutes. These provisions would: First, authorize military strength levels and eliminate the permanent ceiling on commissioned officers; second, bring Coast Guard flag officer personnel management into

conformance with other branches of the uniformed services; third, raise the rank of the chief of staff; fourth, provide for long-term lease of housing or condominiums for personnel and of navigation and communications systems sites; fifth, allow the Coast Guard Academy to compete for educational research grants; and sixth, change the definition of unmanned seagoing barges.

Finally, title VI of the Coast Guard Reauthorization Act comprises the Passenger Vessel Safety Act of 1993. Under current law, Coast Guard regulations require documented vessels carrying six or more passengers-for-hire to meet safety standards and be inspected. By contrast, safety standards for private recreational vessels are lower, and no inspection is required. Passenger vessel requirements do not apply to boats chartered without a crew, referred to as bare-boat charters, because the charterer is acting in the capacity of owner. Now, short-term charters, such as a dinner cruise for 100-200 people, are being offered as bare-boat charters, and as a result, inspection and safety requirements are not implicated. This title corrects that potentially dangerous situation.

Mr. President, I commend the Coast Guard for the missions it performs. Whether it is the rescue of Haitian or Cuban migrants, drug interdiction or fisheries law enforcement, vessel safety inspection or search and rescue operations, the Coast Guard steps forward when called. The men and women of the Coast Guard respond with equal dedication during war and during peace time. I ask my colleagues to recognize this service by joining me in supporting Coast Guard authorization legislation.

I ask that the text of the bill I am introducing today be printed in full in the RECORD immediately following my statement.

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

S. 1052

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 "Coast Guard Authorization Act of 1993".

TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

(a) FISCAL YEAR 1994.—Funds are authorized to be appropriated for necessary expenses of the Coast Guard for fiscal year 1994, as follows:

(1) For the operation and maintenance of the Coast Guard, \$2,609,000, of which—

(A) \$25,000,000 shall be derived from the Oil Spill Liability Trust Fund; and

(B) \$32,250,000 shall be expended from the Boat Safety Account.

(2) For the acquisition, construction, rebuilding, and improvement of aids to navigation, shore and offshore facilities, vessels, and aircraft, including equipment related

thereto, \$414,000,000, to remain available until expended, of which \$20,000,000 shall be derived from the Oil Spill Liability Trust Fund.

(3) For research, development, test, and evaluation, \$25,000,000, to remain available until expended, of which \$4,457,000 shall be derived from the Oil Spill Liability Trust Fund.

(4) For retired pay (including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose), payments under the Retired Serviceman's Family Protection and Survivor Benefit Plans, and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, \$548,774,000, to remain available until expended.

(5) For alteration or removal of bridges over navigable waters of the United States constituting obstructions to navigation, and for personnel and administrative costs associated with the Bridge Alteration Program, \$12,940,000, to remain available until expended.

(6) For environmental compliance and restoration at Coast Guard facilities, \$23,057,000, to remain available until expended.

(b) FISCAL YEAR.—Funds are authorized to be appropriated for necessary expenses of the Coast Guard for fiscal year 1995, as follows:

(1) For the operation and maintenance of the Coast Guard, \$2,711,762,000, of which—

(A) \$26,000,000 shall be derived from the Oil Spill Liability Trust Fund; and

(B) \$33,500,000 shall be expended from the Boat Safety Account.

(2) For the acquisition, construction, rebuilding, and improvement of aids to navigation, shore and offshore facilities, vessels, and aircraft, including equipment related thereto, \$596,000,000, to remain available until expended, of which \$20,500,000 shall be derived from the Oil Spill Liability Trust Fund.

(3) For research, development, test and evaluation, \$25,750,000, to remain available until expended, of which \$4,600,000 shall be derived from the Oil Spill Liability Trust Fund.

(4) For retired pay (including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose), payments under the Retired Serviceman's Family Protection and Survivor Benefit Plans, and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, \$579,500,000, to remain available until expended.

(5) For alteration or removal of bridges over navigable waters of the United States constituting obstructions to navigation, and for personnel and administrative costs associated with the Bridge Alteration Program, \$13,289,000, to remain available until expended.

(6) For environmental compliance and restoration at Coast Guard Facilities, \$23,749,000, to remain available until expended.

SEC. 102. AUTHORIZED LEVELS OF MILITARY STRENGTH AND MILITARY TRAINING.

(a) AUTHORIZED MILITARY STRENGTH LEVEL.—The Coast Guard is authorized an end-of-year strength for active duty personnel of 39,138 as of September 30, 1994 (of which not more than 6,400 shall be commissioned officers), and 39,138 as of September 30, 1995 (of which not more than 6,400 shall be commissioned officers). The authorized strength does not include members of the Ready Reserve called to active duty for special or emergency augmentation of regular

Coast Guard forces for periods of 180 days or less.

(b) AUTHORIZED LEVEL OF MILITARY TRAINING.—The Coast Guard is authorized average military training student loads as follows:

(1) For recruit and special training, 1,986 student years for fiscal year 1994 and 1,986 student years for fiscal year 1995.

(2) For flight training, 114 student years for fiscal year 1994 and 114 student years for fiscal year 1995.

(3) For professional training in military and civilian institutions, 338 student years for fiscal year 1994 and 338 student years for fiscal year 1995.

(4) For officer acquisition, 955 student years for fiscal year 1994 and 955 student years for fiscal year 1995.

TITLE II—PERSONNEL MANAGEMENT IMPROVEMENT

SEC. 201. ELIMINATION OF PERMANENT CEILING ON NUMBER OF COMMISSIONED OFFICERS.

(a) ELIMINATION OF CEILING.—Section 42 of title 14, United States Code, is amended by striking subsection (a), and by redesignating subsections (b) through (e) as subsections (a) through (d), respectively.

(b) CONFORMING AMENDMENTS.—(1) Section 42(d) of title 14, United States Code, as redesignated by subsection (a) of this section, is amended by striking "subsection (c)" and inserting in lieu thereof "subsection (b)".

(2) The section heading for section 42 of title 14, United States Code, is amended by striking "Number and distribution" and inserting in lieu thereof "Distribution".

(3) In the analysis for chapter 3 of title 14, United States Code, the time relating to section 42 is amended by striking "Number and distribution" and inserting in lieu thereof "Distribution".

SEC. 202. INCREASED GRADE FOR CHIEF OF STAFF.

(a) AUTHORITY FOR GRADE OF VICE ADMIRAL.—(1) Chapter 3 of title 14, United States Code, is amended by inserting immediately after section 50 the following new section:

"§ 50a. Chief of Staff.

"(a) The President may appoint, by and with the advice and consent of the Senate, a Chief of Staff of the Coast Guard who shall rank next after the area commanders and who shall perform such duties as the Commandant may prescribe. The Chief of Staff shall be appointed from the officers on the active duty promotion list serving above the grade of captain. The Commandant shall make recommendations for such appointment.

"(b) The Chief of Staff shall, while so serving, have the grade of vice admiral with the pay and allowances of that grade. The appointment and grade of the Chief of Staff shall be effective on the date the officer assumes that duty, and shall terminate on the date the officer is detached from that duty, except as provided in section 51(d) of this title."

(2) The analysis for chapter 3 of title 14, United States Code, is amended by inserting immediately after the item relating to section 50 the following new item:

"50a. Chief of Staff."

(b) ELIMINATION OF UNNECESSARY SENIORITY EXCEPTION.—Section 41a(b) of title 14, United States Code, is amended by striking " , except that the rear admiral serving as Chief of Staff shall be the senior rear admiral for all purposes other than pay".

(c) CLERICAL AMENDMENTS.—Section 41a of title 14, United States Code, is amended—

(1) in subsection (c), by striking "his" and inserting in lieu thereof "that person's"; and

(2) in subsection (d), by striking "he" and inserting in lieu thereof "that officer", and by striking "his" and inserting in lieu thereof "that officer's".

SEC. 203. CONTINUITY OF GRADE OF ADMIRALS AND VICE ADMIRALS.

(a) RETIREMENT.—(1) Section 51 of title 14, United States Code, is amended by adding at the end the following new subsection:

"(d) An officer serving in the grade of admiral or vice admiral shall continue to hold that grade—

"(1) while being processed for physical disability retirement, beginning on the day of the processing and ending on the day that officer is retired, but not for more than 180 days; and

"(2) while awaiting retirement, beginning on the day that officer is relieved from the position of Commandant, Vice Commandant, Area Commander, or Chief of Staff and ending on the day before the officer's retirement, but not for more than 60 days."

(2) Section 51 of title 14, United States Code, is further amended—

(1) in subsections (a) and (b), by striking "as Commander, Atlantic Area, or Commander, Pacific Area" each place it appears and inserting in lieu thereof "in the grade of vice admiral"; and

(2) in subsection (c), by striking "his" and inserting in lieu thereof "that officer's".

(b) ELIMINATION OF UNNECESSARY PROVISION FOR CHIEF OF STAFF.—Section 290 of title 14, United States Code, is amended—

(1) in subsection (a), by striking "or in the position of Chief of Staff" in the second sentence; and

(2) in subsection (f), by striking "Chief of Staff or" each place it appears.

(c) CONFORMING AMENDMENT RELATING TO RETIREMENT OF COMMANDANT.—Section 46(a) of title 14, United States Code, is amended by striking "shall, at the expiration of his term, be retired with the grade of admiral." and inserting in lieu thereof "shall be retired with the grade of admiral at the expiration of the appointed term, except as provided in section 51(d) of this title."

(d) CONFORMING AMENDMENTS RELATING TO RETIREMENT OF VICE COMMANDANT.—(1) Section 47 of title 14, United States Code, is amended—

(A) by striking subsections (b), (c), and (d); and

(B) in subsection (a)—

(i) by striking "(a)" at the beginning; and

(ii) by striking the last sentence and inserting in lieu thereof "The appointment and grade of a Vice Commandant shall be effective on the date the officer assumes that duty, and shall terminate on the date the officer is detached from that duty, except as provided in section 51(d) of this title."

(2) The section heading for section 47 of title 14, United States Code, is amended by striking " ; retirement".

(3) The item relating to section 47 in the analysis for chapter 3 of title 14, United States Code, is amended by striking " ; retirement".

(e) CONFORMING AMENDMENTS RELATING TO AREA COMMANDERS.—Section 50 of title 14, United States Code, is amended—

(1) in subsection (a) by striking "his" and inserting in lieu thereof "that area commander's"; and

(2) in subsection (b) by striking the last sentence and inserting in lieu thereof "The appointment and grade of an area commander shall be effective on the date the officer assumes that duty, and shall terminate on the date the officer is detached from that duty, except as provided in section 51(d) of this title."

SEC. 204. VOLUNTEER SERVICES.

Section 93 of title 14, United States Code, is amended—

(1) by striking "and" at the end of subsection (r);

(2) by striking the period at the end of subsection (s) and inserting in lieu thereof "and"; and

(3) by adding at the end the following new subsection:

"(t) enter into cooperative agreements with States, local governments, nongovernmental organizations, and individuals, and accept and utilize voluntary services, notwithstanding section 1342 of title 31, United States Code, to provide for the maintenance and improvement of natural and historic resources on, or to benefit natural and historic research on, Coast Guard facilities, subject to the requirement that—

"(1) a person providing voluntary services under this subsection shall not be considered a Federal employee except for purposes of chapter 81 of title 5, United States Code, with respect to compensation for work-related injuries, and chapter 171 of title 28, United States Code, with respect to tort claims; and

"(2) a cooperative agreement under this subsection shall provide for the Commandant and the other party or parties to the agreement to—

"(A) contribute funds on a matching basis to defray the cost of programs, projects, and activities under the agreement; or

"(B) furnish services on a matching basis to carry out such programs, projects, and activities; or

"(C) both contribute funds as described in subparagraph (A) and furnish services as described in subparagraph (B)."

SEC. 205. RESERVE RETENTION BOARDS.

Section 741(a) of title 14, United States Code, is amended by striking "and are not on active duty and not on an approved list of selectees for promotion to the next higher grade" and inserting in lieu thereof "except those officers who are on extended active duty, are on a list of selectees for promotion, will complete 30 years' total commissioned service by 30 June next following the date on which the retention board is convened, or have reached age 59 by the date on which the retention board is convened".

TITLE III—NAVIGATION SAFETY AND WATERWAY SERVICE MANAGEMENT**SEC. 301. NORTH ATLANTIC ROUTES.**

Sections 3 and 5 of the Act of June 25, 1936 (46 U.S.C. App. 738b and 738d), are repealed.

SEC. 302. TECHNICAL AMENDMENT FOR BOAT SAFETY ACCOUNT.

Section 9503(c)(4)(A)(ii) of the Internal Revenue Code of 1986 (26 U.S.C. 9503(c)(4)(A)(ii)) is amended—

(1) by striking "No" at the beginning of subclause (II) and inserting in lieu thereof "Subject to subclause (III), no"; and

(2) by adding at the end the following new subclause:

"(III) CALCULATION OF AMOUNT IN ACCOUNT.—Amounts previously appropriated from the Aquatic Resources Trust Fund for carrying out the purposes of section 13106 of title 46, United States Code, but not distributed, shall not be included when calculating whether the Boat Safety Account exceeds the limit established in subclause (II)."

SEC. 303. UNMANNED SEAGOING BARGES.

Section 3302 of title 46, United States Code, is amended by adding at the end the following new subsection:

"(m) A seagoing barge is not subject to inspection under section 3301 of this title if the vessel is—

"(1) unmanned; and

"(2) does not carry oil in bulk or a reportable or harmful quantity of a hazardous material."

TITLE IV—ENGINEERING AND DEVELOPMENT AMENDMENTS**SEC. 401. COAST GUARD FAMILY HOUSING.**

(a) IN GENERAL.—Chapter 17 of title 14, United States Code, is amended by adding at the end the following new section:

"§ 670. Procurement authority for family housing

"(a) The Coast Guard, on behalf of the United States, is authorized, where appropriate—

"(1) subject to the availability of appropriations sufficient to cover its full obligations, to acquire real property or interests therein by purchase, lease for a term not to exceed 5 years, or otherwise, for use as Coast Guard family housing units, including the acquisition of condominium units, which may include the obligation to pay maintenance, repair, and other condominium related fees; and

"(2) for adequate compensation, by sale, lease, or otherwise, to dispose of any real property or interest therein used for Coast Guard family housing units; except that such disposition shall be made by the General Services Administration in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

"(b) In procuring real property and interests therein under subsection (a) of this section, the Coast Guard may use procedures other than competitive procedures in circumstances which are set forth in section 303(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)).

"(c)(1) For the purposes of this section, a multiyear contract is a contract to lease Coast Guard family housing units for more than 1, but not more than 5, fiscal years.

"(2) The Coast Guard may enter into multiyear contracts under subsection (a) of this section whenever the Coast Guard finds that—

"(A) the use of such a contract will promote the efficiency of the Coast Guard family housing program and will result in reduced total costs under the contract; and

"(B) the estimates of both the cost of the contract and the anticipated cost avoidance through the use of a multiyear contract are realistic.

"(3) A multiyear contract authorized under subsection (a) of this section shall contain cancellation and termination provisions to the extent necessary to protect the best interests of the United States, and may include consideration of both recurring and nonrecurring costs. The contract may provide for a cancellation payment to be made. Amounts that were originally obligated for the cost of the contract may be used for cancellation or termination costs."

"(b) CONFORMING AMENDMENT.—The analysis for chapter 17 of title 14, United States Code, as amended by this title, is further amended by adding at the end the following new item:

"670. Procurement authority for family housing."

SEC. 402. AIR STATION CAPE COD IMPROVEMENTS.

(a) IN GENERAL.—Chapter 17 of title 14, United States Code, as amended by this title, is further amended by adding at the end the following new section:

"§ 671. Air Station Cape Cod improvements

"The Coast Guard may spend or obligate appropriated funds for the repair, improve-

ment, restoration, or replacement of those federally or non-federally owned support buildings, including appurtenances, which are on leased or permitted real property constituting Coast Guard Air Station Cape Cod, located on Massachusetts Military Reservation, Cape Cod, Massachusetts."

(b) CONFORMING AMENDMENT.—The analysis for chapter 17 of title 14, United States Code, as amended by this title, is further amended by adding at the end the following new item:

"671. Air Station Cape Cod improvements."

SEC. 403. LONG-TERM LEASE AUTHORITY FOR AIDS TO NAVIGATION.

(a) IN GENERAL.—Chapter 17 of title 14, United States Code, as amended by this title, is further amended by adding at the end the following new section:

"§ 672. Long-term lease authority for navigation and communications systems sites

"(a) The Coast Guard, on behalf of the United States, is authorized, subject to the availability of appropriations, to enter into lease agreements to acquire real property or interests therein for a term not to exceed 20 years, inclusive of any automatic renewal clauses, for aids-to-navigation sites, vessel traffic service sensor sites, or National Distress System high level antenna sites. The lease agreements shall include cancellation and termination provisions to the extent necessary to protect the best interests of the United States. Cancellation payment provisions may include consideration of both recurring and nonrecurring costs associated with the real property interests under the contract. The lease agreements may provide for a cancellation payment to be made. Amounts that were originally obligated for the cost of the contract may be used for cancellation or termination costs.

"(b) In procuring real property and interests therein under subsection (a) of this section, the Coast Guard may use procedures other than competitive procedures in circumstances which are set forth in section 303(c) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(c)).

"(c)(1) The Coast Guard may enter into multiyear lease agreements under subsection (a) of this section whenever the Coast Guard finds that—

"(A) the use of such a lease agreement will promote the efficiency of the aids-to-navigation program, vessel traffic service program, or National Distress System program and will result in reduced total costs under the agreement;

"(B) the minimum need for the real property or interest therein to be leased is expected to remain substantially unchanged during the contemplated lease period; and

"(C) the estimates of both the cost of the lease and the anticipated cost avoidance through the use of a multiyear lease are realistic."

(b) CONFORMING AMENDMENT.—The analysis for chapter 17 of title 14, United States Code, as amended by this title, is further amended by adding at the end the following new item:

"672. Long term lease authority for navigation and communications system sites."

TITLE V—EDUCATIONAL RESEARCH**SEC. 501. AUTHORITY FOR EDUCATIONAL RESEARCH GRANTS.**

(a) IN GENERAL.—Chapter 9 of title 14, United States Code, is amended by adding at the end the following new section:

"§ 196. Participation in Federal, State, or other educational research grants

"Notwithstanding any other provision of law, the Coast Guard Academy may compete

for and accept Federal, State, or other educational research grants, except that no such award may be accepted for the acquisition or construction of facilities, or for the routine functions of the Academy."

(b) CONFORMING AMENDMENT.—The analysis for chapter 9 of title 14, United States Code, is amended by adding at the end the following new item:

"196. Participation in Federal, State, or other educational research grants."

TITLE VI—PASSENGER VESSEL SAFETY
SEC. 601. SHORT TITLE.

This title may be cited as the "Passenger Vessel Safety Act of 1993".

SEC. 602. DEFINITION OF PASSENGER.

Section 2101(21) of title 46, United States Code, is amended to read as follows:

"(21) 'passenger'—

"(A) on a vessel, other than a vessel referred to in subclause (B), (C), or (D) of this clause, means an individual carried on the vessel except—

"(i) the owner or an individual representative of the owner or, in the case of a vessel under charter, an individual charterer or individual representative of the charterer;

"(ii) the master; or

"(iii) a member of the crew engaged in the business of the vessel who has not contributed consideration for carriage and who is paid for on board services;

"(B) on an offshore supply vessel, means an individual carried on the vessel except—

"(i) an individual as described in subclause (A)(i), (A)(ii), or (A)(iii) of this clause;

"(ii) an employee of the owner, or of a subcontractor to the owner, engaged in the business of the owner;

"(iii) an employee of the charterer, or of a subcontractor to the charterer, engaged in the business of the charterer; or

"(iv) an individual employed in a phase of exploration, exploitation, or production of offshore mineral or energy resources served by the vessel;

"(C) on a fishing vessel, fish processing vessel, or fish tender vessel, means an individual carried on the vessel except—

"(i) an individual as described in subclause (A)(i), (A)(ii) or (A)(iii) of this clause;

"(ii) a managing operator;

"(iii) an employee of the owner, or of a subcontractor to the owner, engaged in the business of the owner; or

"(iv) an employee of the charterer, or of a subcontractor to the charterer, engaged in the business of the charterer; and

"(D) on a sailing school vessel, means an individual carried on the vessel except—

"(i) an individual as described in subclause (A)(i), (A)(ii), or (A)(iii) of this clause;

"(ii) an employee of the owner of the vessel engaged in the business of the owner, except when the vessel is operating under a demise charter;

"(iii) an employee of the demise charterer of the vessel engaged in the business of the demise charterer; or

"(iv) a sailing school instructor or sailing school student."

SEC. 603. DEFINITION OF PASSENGER VESSEL.

Section 2101(22) of title 46, United States Code, is amended to read as follows:

"(22) 'passenger vessel' means a vessel of at least 100 gross tons—

"(A) that is carrying more than 12 passengers, including at least one passenger for hire;

"(B) that is chartered and carrying more than 12 passengers; or

"(C) that is a submersible vessel carrying at least one passenger for hire."

SEC. 604. DEFINITION OF SMALL PASSENGER VESSEL.

Section 2101(35) of title 46, United States Code, is amended to read as follows:

"(35) 'small passenger vessel' means a vessel of less than 100 gross tons—

"(A) that is carrying more than 6 passengers, including at least one passenger for hire;

"(B) that is chartered, with the crew provided or specified by the owner or the owner's representative, and carrying more than 6 passengers;

"(C) that is chartered, with no crew provided or specified by the owner or the owner's representative, and carrying more than 12 passengers; or

"(D) that is a submersible vessel carrying at least one passenger for hire."

SEC. 605. DEFINITION OF UNINSPECTED PASSENGER VESSEL.

Section 2101(42) of title 46, United States Code, is amended to read as follows:

"(42) 'uninspected passenger vessel' means an uninspected vessel—

"(A) of at least 100 gross tons—

"(i) that is carrying not more than 12 passengers, including at least one passenger for hire; or

"(ii) that is chartered, with the crew provided or specified by the owner or the owner's representative, and carrying not more than 12 passengers; or

"(B) of less than 100 gross tons—

"(i) that is carrying not more than 6 passengers, including at least one passenger for hire; or

"(ii) that is chartered, with the crew provided or specified by the owner or the owner's representative, and carrying not more than 6 passengers."

SEC. 606. DEFINITION OF PASSENGER FOR HIRE.

Section 2101 of title 46, United States Code, is amended by inserting immediately after clause (21) the following new clause:

"(21a) 'passenger for hire' means a passenger for whom consideration is contributed as a condition of carriage on the vessel, whether directly or indirectly flowing to the owner, charterer, operator, agent, or any other person having an interest in the vessel."

SEC. 607. DEFINITION OF CONSIDERATION.

Section 2101 of title 46, United States Code, is amended by inserting immediately after clause (5) the following new clause:

"(5a) 'consideration' means an economic benefit, inducement, right, or profit, including pecuniary payment accruing to an individual, person, or entity, but not including a voluntary sharing of the actual expenses of the voyage by monetary contribution or donation of fuel, food, beverage, or other supplies."

SEC. 608. DEFINITION OF OFFSHORE SUPPLY VESSEL.

Section 2101(19) of title 46, United States Code, is amended by inserting "individuals in addition to the crew," immediately after "supplies," and by striking "and is not a small passenger vessel".

SEC. 609. DEFINITION OF SAILING SCHOOL VESSEL.

Section 2101(30)(B) of title 46, United States Code, is amended by striking "at least 6'" and inserting in lieu thereof "more than 6'".

SEC. 610. DEFINITION OF SUBMERSIBLE VESSEL.

Section 2101 of title 46, United States Code, is amended by inserting immediately after clause (37) the following new clause:

"(37a) 'submersible vessel' means a vessel that is capable of operating below the surface of the water."

SEC. 611. EXEMPTION AUTHORITY.

(a) Section 2113 of title 46, United States Code, is amended to read as follows:

"§ 2113. Authority to exempt certain vessels

"If the Secretary decides that the application of a provision of part B, C, F, or G of this subtitle is not necessary in performing the mission of certain vessels engaged in excursions or an oceanographic research vessel, or not necessary for the safe operation of certain vessels carrying passengers, the Secretary by regulation may—

"(1) for an excursion vessel, issue a special permit specifying the conditions of operation and equipment;

"(2) exempt an oceanographic research vessel from that provision under conditions the Secretary may specify; and

"(3) establish different operating and equipment requirements for uninspected passenger vessels described in section 2101(42)(A) of this title."

SEC. 612. EQUIPMENT AND STANDARDS FOR UNINSPECTED PASSENGER VESSELS.

Section 4105 of title 46, United States Code, is amended—

(1) by redesignating the existing text as subsection (a); and

(2) by adding at the end the following new subsection:

"(b) Within 24 months after the date of enactment of this subsection, the Secretary shall, by regulation, require certain additional equipment (including liferafts or other lifesaving equipment), or establish construction standards or additional operating standards, for the uninspected passenger vessels described in section 2101(42)(A) of this title."

SEC. 613. APPLICABILITY DATE FOR REVISED REGULATIONS.

(a) APPLICABILITY DATE FOR CERTAIN CHARTERED VESSELS.—Revised regulations governing small passenger vessels and passenger vessels, as the definitions of those terms in section 2101 of title 46, United States Code, are amended by this Act, shall not apply before May 1, 1994, to such vessels when chartered with no crew provided.

(b) EXTENSION OF PERIOD.—The Secretary of the department in which the Coast Guard is operating may extend for up to 1 additional year the period of inapplicability specified in subsection (a) if the owner of the vessel concerned demonstrates to the satisfaction of the Secretary that a good faith effort, with due diligence and care, has failed to enable compliance with the regulations by May 1, 1994.

Mr. KERRY. Mr. President, as the vice chairman of the Senate's National Ocean Policy Study, I am pleased to cosponsor legislation introduced today by the distinguished chairman of the Commerce Committee and chairman of the National Ocean Policy Study, Senator HOLLINGS, and Senator TED STEVENS, the ranking minority member of the National Ocean Policy Study, which authorizes funding for the Coast Guard for fiscal years 1994 and 1995. This 2-year authorization bill is based upon the administration's request and authorizes necessary Coast Guard operational expenses.

In addition, the provisions of the bill include conforming changes which allow vice admirals and the Commandant of the Coast Guard to temporarily retain their rank while being

processed for retirement, similar to the way other armed services' senior officers are treated now. The bill also permits volunteers to maintain, improve, and conduct research on natural and historic resources located on Coast Guard facilities. It allows the Coast Guard to obtain adequate family housing; provides for Air Station Cape Cod facility improvements; and provides authority for the Coast Guard Academy to apply for education grants. Also included in this bill is a passenger vessel safety provision which will improve the Coast Guard's ability to oversee its marine safety program and will be better ensure the safety of passengers aboard charter boats.

The Coast Guard is a vital asset to both my State of Massachusetts and to every State with navigable waters. All of us need to recognize the importance of and urgent need for the United States to focus on issues pertaining to our boundaries from the coast out to our 200-mile exclusive economic zone [EEZ]. We must pay attention to the bigger picture and recognize all of the programs the Coast Guard administers which affect us locally and nationally. More than two-thirds of the total Coast Guard budget funds activities to protect public safety and the marine environment, enforce laws and treaties, maintain aids to navigation, prevent illegal drug trafficking and alien migration, and preserve defense readiness. Clearly, it is our responsibility to ensure the Coast Guard has the resources to achieve its existing mandate and recognize the expanding role the Coast Guard is being asked to play in our navigable waters. I cannot overemphasize my concern about the potential negative effects on vital coastal and ocean activities should we fail to address adequately issues of marine safety, maritime law enforcement, aids to navigation, and environmental protection.

The National Ocean Policy Study held a hearing today on these issues which provided valuable information about the need for the programs addressed by this legislation and the Coast Guard's ability to comply with its legal mandates. In addition, I look forward to receiving comments on the provisions of the bill being introduced today, and continuing to work with the Coast Guard and all others who have interests and concerns about its provisions in order to achieve legislation which increases the Coast Guard's effectiveness and overall efficiency.

By Mr. FORD (for himself, Mrs. MURRAY, Mr. MATHEWS, Mr. STEVENS, Mr. KRUEGER, Mrs. FEINSTEIN, Mr. INOUE, and Mr. BRYAN):

S. 1053. A bill to amend the Federal Aviation Act of 1958 to provide emergency relief to the U.S. airline industry by facilitating financing for invest-

ment in new aircraft and by encouraging the retirement of older, noisier, and less efficient aircraft, and for other purposes; to the Committee on Commerce, Science, and Transportation.

AVIATION REVITALIZATION ACT OF 1993

Mr. FORD. Mr. President, January 7, 1993, when Secretary of Transportation Federico Peña came before the Commerce Committee for confirmation hearings, I first raised the issue of loan guarantees for the airline industry and expressed my intention to pursue legislation in this area.

Today, after many months of work, I believe we have a bill that addresses the concerns of the airlines, aircraft manufacturers, bankers, and aviation experts. And because representatives from each of these industries worked closely with my staff to craft this legislation, each of them has a stake in seeing it passed into law.

Joining me as cosponsors are Senator MURRAY, Senator STEVENS, Senator MATHEWS, Senator KRUEGER, Senator BRYAN, Senator INOUE, and Senator FEINSTEIN. Each of these Senators has an important segment of the airline industry in their State and is keenly aware of the troubles facing this industry.

As chairman of the Aviation Subcommittee I have found it frustrating to watch the slow self-destruction of an industry so important not only to this Nation's infrastructure, but to our national security.

And while it often seems that the airlines have signed a mutual suicide pact, there are numerous problems leading to the current state of the industry. The most troublesome aspect of the industry's financial losses, is the difficulty of obtaining capital to purchase much-needed new stage 3 aircraft.

My legislation cuts to the quick of this problem by providing Government loan guarantees for the airlines to purchase new aircraft.

Just this week, Moody's Investors Service annual report on the international airline industry indicated that credit relief for the airline industry is nowhere in sight. In fact, the airlines face a stressful credit environment for several more years.

The report suggests airline credit problems are a result of a change in passenger mix due to a sluggish economy, which has created a predatory fare competition and low yields. While this report encompasses the entire international aviation industry, nowhere is the credit crunch more detrimental than in the United States where airlines face a deadline for conversion to an all stage 3 fleet.

The program set forth in this legislation is patterned after the aircraft purchase program at the Export-Import Bank of the United States. It seems logical to me that if Government efforts are used to promote export air-

craft to foreign air carriers, then consideration should be given to loan guarantees for the purchase of aircraft by domestic air carriers.

The Eximbank guarantee program has proven to be a successful model. Since 1957 more than 2,000 aircraft have been financed under this program with few defaults.

The costs of providing loan guarantees to the airlines will be financed by a subsidy fee on each of the airlines participating in the program. This legislation would provide an 85-percent Federal guarantee for certain loans to air carriers to purchase stage 3 aircraft without any cost to the Federal Government. The subsidy for the aircraft guarantees would be the estimated present value of future defaults. In exchange for the loan guarantee, the air carriers would pay a fee equal to the subsidy. Because air carriers will pay fees to cover the Federal cost of this program, the legislation would have no impact on the deficit.

I also wanted to point out to my colleagues that in developing this bill several side issues were raised. As many of you know, I was the author of the Airport Noise and Capacity Act of 1990. This act requires all large commercial aircraft to make the conversion to stage 3 noise certification levels by December 31, 1999. There are varying opinions on the cost of this conversation, but there is no arguing that compliance will be a huge burden to an industry already in difficult financial straits.

In that there is no capacity problem in the cargo industry the bill does not require the 2-for-1 replacement of stage 2 aircraft on cargo carriers. Cargo carriers must modify stage 2 aircraft but there is no requirement to remove stage 2 aircraft from service. I allowed cargo carriers to participate in this program, since these carriers usually fly during the night and early morning hours when it is clearly important to comply with noise abeyance provisions.

For air carriers now in total stage 3 compliance the 2-for-1 replacement requirement does not apply. Stage 3 air carriers are allowed to participate in the loan guarantee program to add stage 3 aircraft to their fleet.

The Federal Aviation Administration, Office of Environment and Energy recently issued a report mapping out the progress of airline compliance to stage 3 fleet. I am attaching two charts which indicate the fleet mix of the U.S. major carriers and the U.S. cargo carriers. While many carriers have exceeded the goals of the FAA in implementing the 1990 Noise Act, there are still quite a few stage 2 aircraft in the system that need to be replaced or converted.

By providing loan guarantees for the purchase of aircraft, not only will airport neighborhoods receive some noise relief, but there are also efficiencies to

be gained in fuel consumption and labor costs.

Perhaps one of the most interesting side issues in this legislation is the replacement of two stage 2 aircraft for every stage 3 aircraft purchased under this program. There have been a number of experts who have attributed the financial situation of the airlines to overcapacity. The 2-for-1 provision addresses this problem.

A number of individuals have raised the issue of the size of the aircraft which will be retired. In an effort to spread the benefits throughout the domestic airframe and engine manufacturing industry, the Secretary of Transportation will develop regulations on aircraft size and type.

Finally, Mr. President, the passage of this legislation will mean new jobs throughout the air carrier and manufacturing industry. Because the loan guarantee program will also be available for the purchase of aircraft components contracted separately from the airframe, including new engines and engine hush kits, job creation to meet increased demand will be a direct effect.

This provision was added for the benefit of smaller or more financially distressed airlines. These stage 3 modification guarantees enable operators and owners to convert their equipment to stage 3 for about one-tenth the price of purchasing new aircraft. Without this option many airlines and owners would be left with a fleet of moderately aged assets whose market value would become worthless in the next few years.

The current surplus of available aircraft will ensure the youngest and fittest aircraft candidates for hushkitting and reengining are the ones chosen under this program. Since the availability of the loan guarantee program is limited for new aircraft there will still be a need for hush kits and reengining to meet the stage 3 deadline.

Mr. President, the problems of the aviation industry are not simply being ignored. Earlier this week, the Commission To Ensure a Strong Competitive Airline Industry began their work to explore solutions to the ailing industry.

I am introducing this legislation with the hope the Commission will seriously consider this proposal as a method to get the airline industry financially viable again and meet the 1999 deadline. Several Wall Street analysts have already testified before the Commission about the need for this legislation and I am delighted at the apparent widespread support for this concept.

While I will not hold hearings on this legislation until the Commission has completed its work, I look forward to working with the chairman of this Commission, Governor Baliles, on this issue.

In conclusion, I believe I am offering a bold, new approach to bolstering the aviation industry. And while there are many areas of this legislation I'm sure will change, I'm confident it is an important starting point to construct the best possible program for all concerned.

Mr. President, I ask unanimous consent that the text of the bill and additional material be printed in the RECORD.

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

S. 1053

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 "Aviation Revitalization Act of 1993".

SEC. 2. DECLARATION OF POLICY.

Congress finds and declares the following:

(1) The United States commercial airline industry is currently suffering severe financial distress.

(2) Sustained record losses and excessive debt burdens are causing air carriers to cancel new aircraft options and orders which, in turn, is threatening the economic viability of the United States aerospace manufacturing industry.

(3) Many air carriers are increasingly unable to obtain financing at reasonable interest rates for purchasing new equipment.

(4) The inability of many air carriers to acquire new, quieter, more fuel efficient Stage 3 aircraft may jeopardize the planned phase-out of noisier Stage 2 aircraft.

(5) A Federal loan guarantee program should, therefore, be established to support the financing of new aircraft, or new aircraft components, in a way that assures the phasing out of less fuel-efficient, noisier, and older aircraft at the same time.

SEC. 3. AUTHORIZATION TO GUARANTEE FINANCING OF NEW AIRCRAFT.

Title XI of the Federal Aviation Act of 1958 (49 App. U.S.C. 1501 et seq.) is amended by adding at the end the following new section: "SEC. 1119. FINANCING OF NEW AIRCRAFT.

"(a) AUTHORIZATION OF LOAN GUARANTEE PROGRAM.—The Secretary is authorized to guarantee loans for the financing of new aircraft, or new aircraft components, for use by air carriers that meet the terms and conditions set forth in subsection (b) and that agree to pay (directly if the carrier is the loan guarantee recipient, or indirectly if another person is loan guarantee recipient) subsidy fees assessed under subsection (e). Subject to subsection (b), such guarantees may be made with respect to—

"(1) loans to an air carrier that will use such new aircraft or such new aircraft components; or

"(2) loans to a person purchasing such new aircraft, or such new aircraft components, for lease to and use by an air carrier.

"(b) TERMS AND CONDITIONS.—A loan guarantee under this section shall be subject to the following terms and conditions:

"(1) The loan guarantee must lead to the delivery of new aircraft, or new aircraft components, to an air carrier certificated under part 121 of title 14, Code of Federal Regulations, and such delivery shall occur no later than December 31, 1999.

"(2) The loan guarantee must be made for the purpose of financing the acquisition of

new aircraft, or new aircraft components, that comply with Stage 3 noise standards.

"(3) The loan guarantee shall only be available for the purchase of new aircraft, or new aircraft components, from companies that both—

"(A) publish independently audited financial disclosure information and financial results; and

"(B) also be domiciled in countries that comply with all major international agreements governing aerospace trade, including but not limited to the GATT Civil Aircraft Agreement, the GATT Subsidies Code, the United States-European Community bilateral aircraft agreement, the OECD Large Aircraft Sector Understanding and bilateral air services agreements with the United States.

"(4) In the case of any air carrier taking delivery of a new aircraft financed under this section which owns or operates either aging aircraft or Stage 2 aircraft, such air carrier as borrower or lessee must, except as provided in paragraph (5), agree that, after April 1, 1993, it did remove from service, or that no later than the 60th day after the aircraft being financed is placed on the air carrier's operations specifications under part 121 of title 14, Code of Federal Regulations, or December 31, 1999, whichever occurs first, it will remove from service—

"(A) sufficient aging aircraft or Stage 2 aircraft which, at maximum certified capacity, equal or exceed, in the aggregate and pursuant to rules promulgated by the Secretary, 200 percent of the number of seats (or in the case of all-cargo aircraft 200 percent of cargo capacity) of the new aircraft being financed; or

"(B) all of its remaining aging aircraft and Stage 2 aircraft,

whichever number of aircraft is less; except that in the event the maximum capacity of such aircraft removed from service exceeds the number of seats or cargo capacity required under this section, such excess seat or cargo capacity may be carried forward as a credit available to be added to the capacity of other aircraft removed from service for the purpose of complying with this section for subsequent loan guarantees.

"(5) When an air carrier described in paragraph (4) is taking delivery of only all-cargo aircraft, the carrier may, in lieu of removing Stage 2 all-cargo aircraft from service, modify on or after April 15, 1993, such Stage 2 aircraft in order to meet Stage 3 noise standards on the same number of such Stage 2 aircraft that otherwise would have had to be removed from service within the contiguous States of the United States under paragraph (4); except that such modified aircraft must remain configured for all-cargo service and shall not be converted to passenger-cargo combination service.

"(6) Each aircraft removed from service by an air carrier under paragraph (4) shall be taken off the registry of certificated aircraft by the Secretary and may not subsequently be registered in the United States; except that—

"(A) the Secretary may continue to keep an aircraft on the registry of certificated aircraft if such aircraft—

"(i) is not based in any of the several States of the United States and is engaged in common carriage entirely outside the several States; or

"(ii) is used solely outside the contiguous States of the United States; and

"(B) in a case where the aircraft removed from service is owned by a person not affiliated with such air carrier and was operated

by such air carrier under lease on or before April 1, 1993, the Secretary may continue to keep such aircraft on the registry of certificated aircraft if such owner brings such aircraft into compliance with Stage 3 noise standards prior to its lease or sale to another air carrier or lessor.

"(7) An air carrier which is to take delivery of a new aircraft, or new aircraft components, financed under this section must warrant that it did not after August 1, 1993, and will not on and after the date of enactment of this section, place in service any aging aircraft or Stage 2 aircraft to its fleet.

"(8) An air carrier's violation of the warranty under paragraph (7) shall constitute a revocation of all outstanding loan guarantees under this section that were made for the purpose of financing delivery of new aircraft, or new aircraft components, to such air carrier.

"(9) The Secretary may not grant a waiver, to any air carrier that takes delivery of a new aircraft, or new aircraft components, financed by a loan guarantee under this section, that would allow such air carrier to operate Stage 2 aircraft beyond December 31, 1999, in interstate air transportation.

"(10) At least 75 percent of any new aircraft, or new aircraft components, financed by a loan guarantee under this section shall be manufactured or produced in the United States.

"(c) REGULATIONS.—No later than 60 days after the date of enactment of this section, the Secretary shall promulgate regulations implementing the loan guarantee program authorized by this section.

"(d) FIDUCIARY DUTIES OF SECRETARY.—

"(1) IN GENERAL.—To implement this section, the Secretary—

"(A) shall apply reasonable and prudent fiduciary standards in determining whether to make any specific loan guarantee, and is authorized to take such action as may be appropriate to enforce any right accruing to the United States or any officer or agency thereof as a result of making loan guarantee under this section;

"(B) shall make loan guarantees on rates, terms, and conditions which, in the judgment

of the Secretary, offer reasonable assurance of repayment;

"(C) may require that loans guaranteed under this section be secured by the new aircraft, or new aircraft components being financed, to provide sufficient collateral; and

"(D) may not guarantee a loan amount that is more than 85 percent of the manufacturer's price to the air carrier of the new aircraft, or new aircraft components, being financed.

"(2) SECURITY INTEREST.—If the Secretary requires collateral under paragraph (1)(C)—

"(A) such collateral, to the extent of the guaranteed loan and associated fees, shall be deemed to be subject to a purchase-money equipment security interest in the new aircraft or new aircraft components for purposes of section 1110 of title 11, United States Code; and

"(B) the Secretary may also authorize a security interest in such collateral, on an equal and pro rata basis or as may be otherwise agreed by the Secretary, for persons providing loans that are not guaranteed under this section but that finance any portion of the price of such new aircraft or new aircraft components.

"(e) ASSESSMENT OF FEES.—

"(1) IN GENERAL.—A loan guarantee under this section shall remain in effect only so long as the loan guarantee recipient pays the subsidy fee assessed under paragraph (2).

"(2) SUBSIDY FEE.—For each loan guarantee under this section, the Secretary shall assess and collect a subsidy fee from the loan guarantee recipient that is equal to the cost, as defined by section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)), of such guarantee.

"(f) ANNUAL REPORT.—The Secretary shall, not later than March 1 of each year, submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Public Works and Transportation of the House of Representatives a report that—

"(1) describes the progress of the loan guarantee program authorized by this section;

"(2) identifies any problems with such program; and

"(3) describes the loan guarantees made under this section, including the identity of the air carriers and other persons receiving loans to which such guarantees apply.

"(g) DEFINITIONS.—As used in this section, the following definitions apply:

"(1) AGING AIRCRAFT.—The term 'aging aircraft' means one or more airplanes that were placed into service more than 22 years prior to the date of enactment of this section.

"(2) NEW AIRCRAFT.—The term 'new aircraft' means one or more newly manufactured airplanes, including associated spare parts and engines included in the original purchase, that have not been previously registered or placed into service.

"(3) NEW AIRCRAFT COMPONENTS.—The term 'new aircraft components' means components or parts (or both), of an aircraft, that can be financed separately from the body or frame of the aircraft, including jet engines, Administrator-approved Stage 3 hush kits for jet engines, and avionics systems.

"(4) REMOVE FROM SERVICE.—The term 'remove from service' means to—

"(A) eliminate, permanently and irrevocably, aircraft from the fleet of an air carrier on or after April 15, 1993;

"(B) transfer aircraft to another air carrier, after April 1, 1993, but before the date of enactment of this section, for use in common carriage entirely outside the several States of the United States; or

"(C) remove aircraft permanently and entirely from use in common carriage in the United States.

"(5) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(6) STAGE 2 AIRCRAFT.—The term 'Stage 2 aircraft' means one or more airplanes as defined by section 36.1(f)(4) of title 14, Code of Federal Regulations, as in effect on the date of enactment of this section.

"(7) STAGE 3 AIRCRAFT.—The term 'Stage 3 aircraft' means one or more airplanes as defined by section 36.1(f)(6) of title 14, Code of Federal Regulations, as in effect on the date of enactment of this section."

1992 PROGRESS REPORTS SUMMARY—U.S. CARGO, 4/28/93

Operator name	1992 Base level	1992 Number of stage 2	1992 Number of stage 3	1992 Total fleet	1991 Phase-out (percent)	1992 Phase-out (percent)	1991 Fleet mix phase-in (percent)	1992 Fleet mix (percent)
Airbone Express	65	52	16	68	9.0	80.0	10.0	23.5
Arrow Air	11	12	1	13	111.1	109.0		7.7
Buffalo Airways	7	11		11	157.1	157.1		
Challenge Air Cargo	3	1	3	4	33.3	33.3	66.7	75.0
DHL Corp.	16	13	4	17	81.3	81.3	18.8	23.5
Emery Worldwide ¹	22	16	9	25	100.0	72.7	24.1	36.0
Evergreen Int'l	35	33	4	37	100.0	94.3	7.9	10.8
Federal Express	131	107	92	199	85.5	81.7	40.1	46.2
Southern Air Transp	14	4	19	23	28.6	28.6	83.3	82.6
United Parcel Service	47	48	94	142	100.0	102.1	64.4	66.2
Cargo Total	351	297	242	539	89.8	84.6	39.4	44.9

¹ Initial progress report under review per Emery's request.

Source: Federal Aviation Administration, May 7, 1993.

1992 PROGRESS REPORTS SUMMARY—U.S. MAJORS, 4/28/93

Operator name	1992 Base level	1992 Number of stage 2	1992 Number of stage 3	1992 Total fleet	1991 Phase-out (percent)	1992 Phase-out (percent) ¹	1991 Fleet mix phase-in (percent)	1992 Fleet mix (percent) ²
America West	30	23	65	88	96.7	76.7	69.1	73.9
American Airlines	175	142	530	672	92.0	81.1	74.1	78.9
Continental	199	152	161	313	100.0	76.4	48.6	51.4
Delta	224	210	344	554	106.7	93.8	55.5	62.1
Northwest	269	252	120	372	97.9	93.7	34.2	32.3
Southwest	49	49	92	141	100.0	100.0	60.1	65.2
TWA	122	111	71	182	95.9	91.0	40.6	39.0
United	239	193	341	534	89.5	80.8	55.9	63.9
USAir	203	188	247	435	100.0	92.6	57.8	56.8

1992 PROGRESS REPORTS SUMMARY—U.S. MAJORS, 4/28/93—Continued

Operator name	1992 Base level	1992 Number of stage 2	1992 Number of stage 3	1992 Total fleet	1991 Phase-out (percent)	1992 Phase-out (percent) ¹	1991 Fleet mix phase-in (percent)	1992 Fleet mix (percent) ²
Majors Total	1,510	1,320	1,971	3,291	97.6	87.4	56.1	59.9

¹ Number of Stage 2 divided by base level. Must be 75 percent or below by 12/31/94 to comply under phase out option.

² Number of Stage 3 divided by total fleet. Must be 55 percent or more by 12/31/94 to comply under fleet mix option.

Source: Federal Aviation Administration, May 7, 1993.

Subsidizing or bailing out the industry is not our goal.

The costs incurred by the Department of Transportation in administering the loan guarantees created by this legislation will be borne by the domestic airline industry.

This bill does not provide for direct assistance—it establishes loan guarantees.

Those loan guarantees will translate into support for communities. Tennessee has two airline hubs; Northwest in Memphis and American Airlines in Nashville. These two airlines serve important transportation roles both in my State of Tennessee, and across the Nation. The importance of these airlines maintaining healthy operations cannot be overestimated.

We all realize that airports provide substantial support to local tax bases. I would venture to say that any Senator with major airline hubs in his or her State also recognizes the economic importance of keeping these operations up and running.

Of course, the Congress should not be in the habit of interfering with private enterprise. However, an industry which is so important to this Nation, deserves our support in remaining competitive and state-of-the-art. Additionally, we all recognize the need to support failing infrastructure.

The administration has called for the investment. Governors throughout the country have called for the investment. Mr. President, today we are answering that call.

Our airports and airlines are primary components of this Nation's transportation infrastructure. Beyond transporting passengers and goods, our domestic airlines support the needs of the country in times of emergency, providing disaster assistance or troop mobilization.

I have seen the demise of this country's rail industry in my own lifetime, all because of poor planning. We cannot now stand by and allow such a demise to occur in the airline industry, only to realize—too late—our lack of investment and planning after an emergency occurs.

Mr. President, we are all aware of the recent investment in US Air by British Airways. I believe this is symptomatic of the problems our domestic carriers are facing. Unable to keep up with costs, US Air sought outside investment in order to maintain its oper-

ations. While I do not seek to condemn this action, or US Air, for exploring outside financial support, I also do not believe that Members of this body want to lose the autonomy of our domestic airlines.

If my fellow Senators join me in that commitment, then I believe they should support this bill.

Mr. President, I believe it is the role of the Federal Government to provide for the needs of the American people. And a healthy transportation industry is one of these needs. Without this support, I fear the country may be in danger of losing more airlines. Allowing that to happen certainly would not be conducive to the economic growth and stability of our Nation. Nor would it serve the American people.

I am proud to be an original cosponsor of the Aviation Revitalization Act of 1993, an act that will serve to reinvigorate an essential transportation industry in this country.

I likewise encourage my colleagues to support this legislation.

Mr. MATHEWS. Mr. President, I am pleased to join Senator FORD today in introducing the Aviation Revitalization Act of 1993.

In this time, when the Senate's attention has been diverted by pseudo-emotional appeals, I believe this is the type of progressive action which Congress should be undertaking.

I hope that our colleagues will join us in supporting quick passage of this legislation. As my friend from Kentucky has noted, the financial burden facing the domestic airline industry has grown to significant proportions.

The Air Transportation Association of America reported that losses continued in 1992 for the third straight year, exceeding \$4 billion for scheduled airlines.

Just this past Monday, the National Commission To Ensure a Strong Competitive Airline Industry was convened by President Clinton. The clock is ticking, so to speak, as the commission is charged with reporting back to the administration in 90 days.

I believe the loan guarantee program created by this legislation is exactly the type of action that commission is likely to recommend.

Mr. President, while deregulation was intended to increase competition and serve the consumer, the impact on the domestic airline industry has often been adverse instead of positive.

Last year, Robert Crandall, chief executive officer of American Airlines, testified before the Senate Subcommittee on Aviation about the problems faced by American and other airlines. One of the primary problems noted in that testimony, was the inability to keep up with growing costs—maintenance costs, fuel costs, and others.

The so-called fare wars, designed to benefit consumers and increase traffic, have actually caused additional difficulties for airlines in their efforts to keep a favorable balance between revenues and costs.

While I do not believe the Government should become entangled in the issue of airline regulation, we should seize every effort and opportunity to assist the industry in moving forward. For this is an industry vital to daily commerce, for both passenger and freight services, an industry contributing over \$300 billion annually to the U.S. economy.

I believe this legislation is one of the answers to the burdens facing our airline industry. This legislation seeks to create loan guarantees directed specifically at purchases of new aircraft, which are quieter and more fuel efficient, to replace the currently aging and costly aircraft.

By Mr. GLENN (for himself, Mr. PELL, Mr. HELMS, and Mr. D'AMATO):

S. 1054. A bill to impose sanctions against any foreign person or U.S. person that assists a foreign country in acquiring a nuclear explosive device or unsafeguarded nuclear material, and for other purposes; to the Committee on Foreign Relations.

OMNIBUS NUCLEAR PROLIFERATION CONTROL ACT OF 1993

• Mr. GLENN. Mr. President, I introduce legislation designed to strengthen our national effort to prevent the global spread of nuclear weapons. The need for this legislation arises from three quarters. First, proliferation remains a profitmaking activity for all too many people and companies both here and around the world. Second, although the International Atomic Energy Agency is gradually responding to the many new challenges it is facing both from the global plutonium economy and from clandestine bomb programs, America must do more to encourage other nations to support and strengthen the agency as it grapples with these prob-

lems in the years ahead. Third, for too long, Congress and the American people have been in the dark about U.S. exports of commodities that can contribute to the ability of other countries to build nuclear explosive devices.

The legislation I am introducing today, the Omnibus Nuclear Proliferation Control Act of 1993—along with another bill that includes some additional measures to deal with these problems—is intended to address these three basic challenges.

BASIC POINTS

First, as I have said before on several occasions, we must do more to take the profits out of proliferation. Specifically, I propose to expand Presidential authority to impose sanctions against companies that engage in illicit sales of nuclear technology and to require new sanctions against countries that traffic specifically in bomb parts or critical bomb design information. The sanctions provisions—which include a ban on Government contracting with firms that materially and knowingly assist other nations to acquire the bomb, and additional severe penalties against nations that traffic in bomb parts or critical bomb design information—are identical to those found in the Omnibus Nuclear Proliferation Control Act of 1992, S. 1128, which passed the Senate by unanimous consent three times in 1992—on April 9, September 18, and October 8.

Second, I am proposing in a sense-of-the-Congress that the United States pursue some 27 reforms to strengthen the implementation of safeguards administered by the International Atomic Energy Agency [IAEA]. I introduced 21 of these reforms on October 17, 1991—see Senate Joint Resolution 216—and am as convinced as ever that this international agency needs the support and cooperation of all nations as it undergoes many reforms in the wake of the lessons of Iraq and the new challenges from growing commercial uses of bomb-usable nuclear materials.

Third, I am proposing a new sunshine provision in our export licensing process that will make public all nonproprietary data concerning U.S. exports of nuclear dual-use goods, nuclear components, and authorizations for exports of U.S. nuclear technology. The present system of nondisclosure has led, especially in the case of goods sent to Iraq, to a crisis in public confidence that America has its own export control house in order. The best way to restore that confidence and to ensure more effective oversight and accountability is to permit greater public scrutiny of the nonproprietary licensing data.

CONCLUSION

I will have more to say about the proposed legislation in the months ahead and look forward to working with the new administration in ensuring its early enactment. These reforms were supported last year by the Bush

administration and are now long overdue.

I am pleased and honored to introduce this bill today with the original cosponsorship of the distinguished chairman of the Committee on Foreign Relations, my friend CLAIBORNE PELL, whose steadfast support of this proposed legislation last year was in large measure responsible for its passage not once, but three times, by unanimous consent of the Senate. I am also pleased to announce that the distinguished ranking member of the Committee on Foreign Relations, Senator HELMS, is also an original cosponsor of this bill. In addition, I am pleased to announce that the ranking member of the Banking Committee, Senator D'AMATO, has also agreed to cosponsor this bill—Senator D'AMATO was also an original cosponsor, along with Senators PELL and HELMS, among others of the nuclear sanctions bill I introduced in the last Congress (S. 1128) and I welcome his support and commitment to a strong nonproliferation policy.

Mr. President, I ask unanimous consent that Senators PELL, HELMS, and D'AMATO be designated as original cosponsors of the Omnibus Nuclear Proliferation Control Act of 1993.

I encourage all of my colleagues to join me in this effort to revitalize these key elements of our nonproliferation strategy. Early enactment of both the current bill and my companion bill—which incorporates export control reforms and measures to deal with threats from the global plutonium economy—will make the world a safer place for our country and for future generations.

I ask unanimous consent to insert into the RECORD a more detailed description of the specific sections of this bill.

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

OMNIBUS NUCLEAR PROLIFERATION CONTROL ACT OF 1993

A SECTION-BY-SECTION DESCRIPTION

Prepared by Committee on Governmental Affairs, May 27, 1993.

Section 1: Short Title.—The bill is entitled the "Omnibus Nuclear Proliferation Control Act of 1993."

Section 2: Table of Contents.—This section describes the contents of each of the three titles of the bill.

Section 3: Definitions.—This section contains definitions of 12 terms used in this bill. The term "nuclear explosive device" is defined explicitly for the first time in U.S. law. Nations can design nuclear weapons, or improve existing designs, by means of extremely small explosive tests using minute quantities of bomb material—Sweden, for example, reportedly performed such tests in the early 1970's. The definition incorporates terms used during the Eisenhower Administration to distinguish a nuclear from a non-nuclear explosion (for a discussion, see Robert N. Thorn and Donald R. Westervelt, "Hydroneuclear Experiments," LA-10902-MS, Los Alamos: Los Alamos National Labora-

tory, February 1987). The definition is intended as a standard to guide the implementation of nuclear nonproliferation laws and policies and is not intended to foreclose any other definition that may be adopted in the course of the negotiation of any future international agreement limiting the testing of nuclear explosive devices, including a Comprehensive Test Ban Treaty.

The term "unsafeguarded special nuclear material" is defined to include plutonium and other special nuclear materials that are held either in violation of or otherwise outside of International Atomic Energy Agency (IAEA) safeguards; the definition excludes non-sensitive quantities that would qualify for export from the United States under general licensing authority. Material that is explicitly exempted from safeguards pursuant to a safeguards agreement with the IAEA is not included within this definition.

The term "direct-use material" is defined in accordance with current usage of the term by the IAEA (see IAEA Safeguards Glossary, IAEA/SF/INF/1 (Rev. 1), 1987 Edition, Vienna, Austria: IAEA).

TITLE I: REPORTING ON NUCLEAR EXPORTS

Sec. 101: Reports of the President.—Each year, sec. 601 of the Nuclear Nonproliferation Act (NNPA) requires the President to submit an unclassified report to Congress on developments with respect to the global spread of nuclear weapons. Sec. 101 of the current bill would expand this reporting requirement to include nonproprietary details from the export licensing process for nuclear dual-use items (as defined in sec. 3 of the bill), as well as U.S. exports of components of nuclear facilities and authorizations for the export of specific nuclear technology and services; the section also requires the reporting of instances when sanctions have been imposed. In the 102nd Congress, conferees to the bill to reauthorize the Export Administration Act agreed to the text of this reporting requirement, but the House did not approve the conference report. [The Senate approved this language on October 8, 1992, *Congressional Record*, p. S-17948 ff. Also see H.R. 3489, the "Omnibus Export Amendments Act of 1992," and H. Rept. 102-1025.]

TITLE II—SANCTIONS FOR NUCLEAR PROLIFERATION

Section 201: Imposition of Sanctions.

PURPOSE

This section broadens presidential authority to impose sanctions against foreign and domestic persons that the President determines have contributed to the global proliferation of nuclear weapons. Specifically, the sanctions seek to deter illicit exports from the United States or a foreign nation of goods or technology that would assist any individual, group, or non-nuclear-weapon state to acquire a nuclear explosive device or unsafeguarded special nuclear material.

The section establishes explicit presidential authority to ban U.S. government procurements from foreign or domestic firms that have "materially and with requisite knowledge" contributed to the proliferation of nuclear explosive devices or access to unsafeguarded bomb materials. The term "with requisite knowledge" derives from the use of the term "knowing," as defined in the Foreign Corrupt Practices Act of 1977, and "has reason to know," as that term has long been used in existing nuclear export control regulations.

RATIONALE

All Americans recognize that the acquisition by additional nations or groups of nu-

clear explosives or bomb material would jeopardize vital U.S. interests and world peace. Yet with respect to U.S. government purchases and U.S. imports of goods produced by firms that engage in proliferation-related exports, U.S. statutory sanctions are currently more punitive for missile and chemical and biological weapons proliferation than for illicit activities promoting the global spread of fission or hydrogen bombs.

P.L. 101-510, for example, authorizes the President to ban U.S. government contracts with, and U.S. imports of goods produced by, foreign firms that engage in illicit sales of sensitive missile technology; similar sanctions are now found in legislation (P.L. 102-138 and P.L. 102-182) concerning the proliferation of chemical and biological weapons. Current nuclear sanctions, by contrast, provide for penalties relating to denials of foreign aid and nuclear cooperation—but provide no equivalent statutory penalties for foreign firms that traffic in illicit nuclear weapon-related goods.

The sanctions, triggering procedures, scope of persons affected, foreign government consultations, report, exceptions, waivers, and terms for terminating sanctions used in this section were modeled after the sanctions provisions in previous legislation addressing missile, chemical, and biological weapons proliferation. Sec. 201(b) of the bill authorizes the President to delay the imposition of sanctions in order to permit consultation with foreign governments to halt the prohibited activity. Consistent with a colloquy between Senator Jake Garn and Senator John Glenn on October 8, 1992 (Congressional Record page S-17954), it is also the intention of this legislation that the President may temporarily delay the imposition of sanctions when such a delay is necessary to protect intelligence sources and methods, provided that the delay does not result in a significant risk of additional transfers of sanctionable goods or technology, and that the delay is not used to further any policy other than nonproliferation.

The case for the government procurement sanctions rests on cumulative revelations of the extent that foreign firms have been suppliers of secret nuclear weapons programs around the world. On March 22, 1989, for example, the Washington Post cited a raid by the West German government that discovered 70 German firms that had been active suppliers of Pakistan's nuclear program. In 1991, UN inspectors of Iraq's destroyed nuclear facilities discovered extensive reliance on foreign equipment and technology. Moreover, press accounts have identified a number of foreign commercial enterprises that did extensive business with both the U.S. government and the Iraqi defense establishment.

The denial of foreign aid and nuclear cooperation—once a powerful sanction—may well (with low levels of foreign aid and the continuing stagnation of the nuclear power industry) decline in value as a means to curb proliferation in the 1990's. The sanctions in this section therefore grant the President specific authority to deploy an additional powerful deterrent—the procurement ban—against illicit sales by firms that do extensive business with the federal government. Although import sanctions were originally intended to be included in this bill, they were withdrawn to permit the House to originate this particular sanction in accordance with House rules.

Because there are a variety of circumstances under which a person can "know" a certain fact—and because "mate-

rial" does not require further definition in law—it is useful to clarify the legislative intent of the term "requisite knowledge" as used in this bill.

United States regulations have for many years (e.g., see 45 Federal Register 43143, June 25, 1980) required U.S. exporters to apply for a validated license prior to the export of goods or technology which the exporter "knows or has reason to know" will be used for purposes related to nuclear weapons or the production of special nuclear material. Under 10 C.F.R. 810, the Department of Energy uses this approach in authorizing U.S. persons to participate in the foreign production of nuclear materials. The Commerce Department has also issued regulations (15 C.F.R. 778.3) requiring exporters to apply for a validated license for technical data and commodities that the exporter "knows or has reason to know" will be used, directly or indirectly, in various nuclear-weapon-related activities.

The evolution of this standard derives from Congress' early concerns about the contributions that dual-use goods can make to a clandestine nuclear explosive program, concerns that have over the years been validated and reaffirmed as a result of the efforts of Pakistan, Iraq, and other nations to acquire such goods for illicit weapons purposes. These efforts, moreover, are continuing today in many nations.

In 1978, Congress established the original statutory basis for dual-use nuclear export controls in sec. 309(c) of the NNPA. Under that section, the President was directed to publish regulations regarding the control by the Department of Commerce over the export of dual-use goods with potential nuclear weapons applications; specifically, the law required controls over a broad category of goods that were described as follows: "all export items . . . which could be, if used for purposes other than those for which the export is intended, of significance for nuclear explosive purposes" (emphasis added). Regulations implementing this section are found in 15 C.F.R. 778.

On March 13, 1991, the Department of Commerce published a proposed rule (56 Federal Register 10765) that attempted to define the specific circumstances under which an exporter "knows" a specific good will be used in a chemical or biological weapons or missile facility. On August 15, 1991, however, the Department issued an interim rule relying instead upon "existing case law and judicial interpretation" for guidance on the definition of the term "know" (56 Federal Register 40495). In publishing this regulation, the Department stated that "the standard in the nuclear controls is not being changed at this time." (p. 40495)

The definition of "requisite knowledge" used in this bill is not intended to support any other knowledge standard used for chemical or biological weapon or missile proliferation controls or any other law. There are, however, many reasons for explicitly incorporating "reason to know" within the broad definition of "knowledge" in this nuclear sanctions bill.

First, Presidents and Congresses have for over 45 years designated the global spread of nuclear weapons as posing unique and potentially grave threats to the national security of the United States. Although the global spread of all weapons of mass destruction jeopardizes U.S. security, nuclear weapons remain to this day the only devices that can obliterate entire cities in an instant. Halting the proliferation of such weapons requires special attention under our law: the "reason

to know" standard creates an additional incentive for exporters to familiarize themselves with their customers and the end uses of their products.

Second, the gravity of this threat requires that law enforcement officials have sufficient authority to prevent the export of goods or data from the United States which could help additional nations to acquire the bomb. By its references to the need to control the export of goods that "could be . . . of significance for" nuclear explosive purposes, sec. 309(c) of the NNPA clearly intended such controls to be broad. Similarly, the Nuclear Non-Proliferation Treaty (Article I) obligates the United States . . . not in any way to assist, encourage, or induce any non-nuclear-weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

Although it is impossible to define in positive law all of the conceivable circumstances that would constitute "knowledge" of a specific nuclear weapon development, it is certain that a broad definition is required, given the unambiguously wide scope of America's domestic and international legal obligations not to promote nuclear proliferation.

Third, there is a considerable body of case law and judicial interpretation of the term "reason to know" which provides guidance as to the interpretation of that term. Statutes and regulations ranging from U.S. tort law, the uniform Commercial Code, the International Traffic in Arms Regulations, anti-boycott trade controls, regulations on exports of police or military equipment to South Africa, and even the Migratory Bird Act—all illustrate past judicial and regulatory experience in adjudicating and implementing the "reason to know" standard. A similar standard is found in the Export Administration Act, which requires (in sec. 11(b)(3)) severe penalties against any person who possesses any goods or technology ". . . knowing or having reason to believe" that such items would be exported in violation of sections 5 or 6 of that Act. As used in this bill, the definition of "reason to know" is intended to be fully consistent with the use of the term in 10 C.F.R. 810, 15 C.F.R. 778.3, and existing legal and regulatory precedents.

Subsection (d) of sec. 201 authorizes the Secretary of State to issue advisory opinions to any person seeking to inquire whether a specific activity would subject that person to sanctions under this legislation. It is the intent of this section that any exporter who engages in an activity that is fully consistent with the terms of an advisory opinion issued pursuant to this section should not be subject to sanctions under this legislation. Possession of an advisory opinion, however, does not constitute grounds for failing to comply with the terms of this Act (as, for example, in the case of fraudulent or deceptive requests for opinions). Receipt of an advisory opinion is not, therefore, a license to proliferate.

Sec. 202. Eligibility for Assistance.

PURPOSE

This section (a) amends the Arms Export Control Act to ensure that foreign recipients of U.S. arms exports are not in material breach of their nuclear nonproliferation treaty commitments; (b) amends the Foreign Assistance Act to authorize the President to waive for one year the prohibitions of Section 670(a)(1) concerning illicit transfers of nuclear reprocessing technology and illicit nuclear procurements in the United States; and (c) amends further the Foreign Assist-

ance Act by requiring Pakistan to satisfy the same nuclear standards in the Glenn/Symington amendment (sections 669 and 670 of the Foreign Assistance Act) that are required of all other non-nuclear-weapon states that receive U.S. foreign aid.

RATIONALE

(a) This section creates a strong disincentive for recipients of U.S. arms exports to promote nuclear proliferation, and a strong incentive for such recipients to live up to their nuclear nonproliferation treaty commitments. The section is prospective; it is not intended to punish activities that occurred before enactment of this section.

(b) Current law (Section 670(a)(2) of the Foreign Assistance Act) authorizes the President to waive of any penalties for illicit transfers of nuclear reprocessing technology and for illicit nuclear procurement attempts in the United States. There is no time limitation in the current law constraining how long such a waiver may be issued. The new language would authorize the President to issue a waiver in any specific fiscal year, upon making the certifications that are currently required under that section.

(c) Two of America's most important nuclear sanctions are found in sections 669 and 670 of the Foreign Assistance Act; 669 cuts off aid if a nation traffics in unsafeguarded uranium enrichment technology, while section 670 cuts off aid if a nation transfers or receives nuclear reprocessing technology or (among other activities) illicitly seeks nuclear technology in the U.S.

As originally enacted, sanctions under both sections can be waived by the President under specific circumstances identified in those sections. In 1981, however, President Reagan sought new waiver authority for Pakistan in order to facilitate U.S. assistance to the Afghan rebels; this new authority was needed because Pakistan could not satisfy the requirements for the existing waiver authority in the Foreign Assistance Act. In short, although Pakistan was indeed engaging in illicit imports of unsafeguarded uranium enrichment technology, and given that Pakistan would not provide "reliable assurances" that it would not acquire the bomb, the Reagan Administration nevertheless wanted to continue aid in order to achieve the goal of expelling the Soviets from Afghanistan.

In 1981, Congress agreed to extend a temporary (six-year) waiver of the uranium enrichment sanctions called for in sec. 669. After this waiver authority expired in 1987, it was renewed for shorter periods of time; this waiver authority officially expires on September 30, 1993. In early 1982, President Reagan issued P.D. 82-7, which waived indefinitely the nuclear reprocessing sanctions required in Sec. 670. In early 1988, President Reagan issued P.D. 88-5 to waive sanctions against a specific attempt by Pakistan to acquire material that "... was to be used by Pakistan in the manufacture of a nuclear explosive device."

Thus, Congress has on 5 occasions granted special waiver authority for Pakistan under sec. 669; the President has issued 1 indefinite waiver of the reprocessing provision in sec. 670, and 1 waiver for penalties associated with an illicit effort by Pakistan to violate U.S. nuclear export control laws. Yet despite these special waivers and large-scale U.S. economic and military assistance throughout the 1980's, Pakistan's bomb program continued to move forward. On February 7, 1992, the Washington Post reported that the Pakistani foreign secretary, Shahryar Khan, had stated in an interview that Paki-

stan now possesses "elements which, if put together, would become a device."

The Soviet withdrawal from Afghanistan, coupled with alarming new developments in Pakistan's nuclear program in recent years (including continuing cooperation with China), now removes all justification for Pakistan's special waivers of nuclear sanctions under the Glenn/Symington amendment. The price of continuing these waivers is greater than any conceivable gain to U.S. nonproliferation objectives.

A new waiver of 669, for example, would under current law permit (assuming Pakistan could meet other nonproliferation conditions under sec. 620E-e) continuation of economic or military aid to Pakistan even if Pakistan later provides Libya or Iran with the complete plans for a uranium enrichment plant. If a waiver were in force for Sec. 670, Pakistan could transfer the plans for a plutonium separation plant to any other country and incur no foreign aid penalty under U.S. law. To reduce such risks, the new section would simply return Pakistan to treatment accorded to every other non-nuclear weapon nation under the Glenn/Symington amendment.

Sec. 203. Role of International Financial Institutions.

PURPOSE

This section requires U.S. directors in international financial institutions to oppose "any direct or indirect use" of institution funds that would assist non-nuclear-weapon nations to acquire nuclear explosive devices or unsafeguarded special nuclear material. The section would also require U.S. directors "to consider" the nuclear nonproliferation credentials of the nation that would benefit from funding offered by such agencies.

RATIONALE

Multilateral funding agencies (World Bank, International Development Agency International Finance Corporation, regional development banks, etc.) each year provide billions of dollars for legitimate development projects throughout the world. The purposes of U.S. "development" assistance do not now include—and must never be permitted to include—aid in developing the bomb. By ensuring that no U.S. funds that have been provided to multilateral development agencies will be used either directly or indirectly to promote nuclear proliferation, this section would serve both U.S. national security and foreign policy interests.

This section follows several non-nuclear statutory precedents with respect to the voice and vote U.S. executive directors in such institutions. For example: (1) 22 U.S.C. 262d requires that U.S. directors, in connection with their voice and vote in such institutions, "shall advance the cause of human rights"; (2) in accordance with 22 U.S.C. 262g, U.S. representatives in such institutions "shall oppose any loan or other financial assistance" to promote any foreign exports of palm oil, sugar, or citrus crops if such exports would cause injury to U.S. producers; (3) in 22 U.S.C. 262h, the Secretary of treasury is required to instruct the U.S. directors "to use the voice and vote of the United States to oppose" any assistance that would promote the foreign production of any commodity or mineral whose export would cause substantial injury to U.S. producers; and (4) as required by 22 U.S.C. 262n-2, the Secretary of Treasury shall instruct the U.S. directors to use the "voice and vote" to oppose financing of projects that will produce exports in violation of the General Agreement on Tariffs and Trade.

Sec. 204. Amendment to the International Emergency Economic Powers Act.

PURPOSE

This section ensures that a wide range of options will be available to the President for purposes of imposing economic sanctions against companies that engage in activities that promote the international spread of nuclear explosive devices or unsafeguarded special nuclear material.

RATIONALE

This section specifically extends the grants of authorities provided to the President under sec. 203 of the International Emergency Economic Powers Act to deter firms from engaging in activities relating to the proliferation of nuclear explosive devices. The wide scope of the sanctioning powers under that section will both enhance the credibility of the sanctions and provide the President with some flexibility to apply penalties in specific circumstances when a U.S. government procurement ban would be either inappropriate or ineffective. Such powers would be essential, for example, in the event a company is promoting proliferation yet does not have any contracts with the federal government.

Sec. 205. Amendments to FDIC Improvement Act.

PURPOSE

This section expands the President's authority to apply sanctions against banks and financial institutions that knowingly promote nuclear proliferation.

RATIONALE

Based on evidence (e.g., testimony of David Kay of the International Atomic Energy Agency before the Senate Committee on Foreign Relations on October 17, 1991) that banks played significant roles in assisting Iraq to acquire illicit nuclear technologies, this section amends the Federal Deposit Insurance Corporation Improvement Act of 1991 to mandate a ban on dealings by banks and other financial institutions in U.S. government finance and other restrictions on the operation of such institutions in the United States, if the President determines that they have materially and with requisite knowledge assisted non-nuclear-weapon states to acquire unsafeguarded special nuclear material or nuclear explosive devices. The sanctions under this section contain waiver authority in the event any such sanction would "have a serious adverse effect on the safety and soundness of the domestic or international financial system or on domestic or international payments systems."

Sec. 206. Export-Import Bank.

PURPOSE

Section 206 requires the Secretary of State to report to Congress and to the Board of Directors of the Ex-Im Bank if the Secretary determines that any country "has willfully aided or abetted" a non-nuclear-weapon state to acquire a nuclear explosive device or unsafeguarded special nuclear material. Ex-Im Bank credits would then be suspended, unless the President determines it is in the national interest to continue such credit.

RATIONALE

The Export-Import Bank Act already contains a report requirement along these lines, but the existing law only addresses circumstances in which nations violate IAEA safeguards or a U.S. agreement for nuclear cooperation. The new language expands the scope of the report to a wider range of activities relating to illicit nuclear assistance to other nations.

Sec. 207. Additional Amendments to the Foreign Assistance Act of 1961.

PURPOSE

Section 207 expands sanctions against nations that transfer a nuclear explosive device, design information of such a device, or any important component of a nuclear explosive device to a non-nuclear-weapon state.

RATIONALE

Under Section 670(b)(1) of the Foreign Assistance Act as currently worded, no foreign assistance may be given to any non-nuclear-weapon state that either receives or detonates a nuclear explosive device. The new language would extend this penalty to include receipt of essential bomb parts or bomb design information. Current law would only impose a penalty if a complete bomb were physically transferred to a non-nuclear-weapon state—yet if a recipient of U.S. aid gave Syria or Iran a bomb design, for example, or fabricated components of a bomb or bombs, there would be no explicit penalty under U.S. law. This section would strengthen sanctions to address just such situations.

As a result of an amendment adopted unanimously by the Foreign Relations Committee in last year's bill (S. 1128), the bill includes additional sanctions against countries that the President has determined have violated the prohibitions of Section 670(b)(1). The new sanctions include at a minimum: termination of foreign assistance, arms sales, U.S. government credits, arms sales financing, multilateral development bank assistance, bank loans, and U.S. exports (excluding only agricultural commodities and food). The section exempts from sanctions certain activities undertaken pursuant to Title V of the National Security Act (relating to congressional oversight of intelligence activities).

The intent of this section is to strengthen sanctions against, and thereby to deter, the proliferation of nuclear explosive devices and the most critical design information and components of such devices. Transfers to a non-nuclear-weapon state of design information of nuclear explosive devices or of any components determined by the President to be both known by the transferring country to be intended by the recipient state for use in any such a device, would be treated under U.S. law as though a device itself had been transferred; penalties for such transfers could only be waived in accordance with the limited waiver authority provided in sec. 207(c) of the bill.

Sec. 208. Reward.

PURPOSE

This section authorizes the Secretary of State to pay rewards for information relating to acts substantially contributing to the risk of illicit foreign acquisition of unsafeguarded nuclear material or a nuclear explosive device.

RATIONALE

Under Section 36 of the State Department Basic Authorities Act (P.L. 84-885), the Secretary of State already has authority to pay rewards for information relating to terrorist activities. On July 15, 1991, the State Department's Acting Coordinator for Counterterrorism testified before the Senate Committee on Governmental Affairs that the Department had found this reward authority to be "... unequivocally a successful program." As devastating as contemporary terrorism can be, a nuclear explosive can produce terror on a far greater scale—yet under current law, the Secretary of State is not statutorily authorized to pay rewards for

information useful in halting nuclear proliferation. The new section would require no payments, it would only authorize the Secretary of State to issue such payments should they advance the goals of nuclear nonproliferation.

Sec. 209. Reports.

PURPOSE

Section 209 requires (a) that the ACDA annual report to Congress shall include a section on instances when other nations have failed to comply with their commitments to the United States with respect to nuclear nonproliferation; and (b) that Congress be kept fully and currently informed, in accordance with Executive reporting responsibilities under Section 602(c) of the Nuclear Non-Proliferation Act of 1978, about the status of diplomatic demarches issued on behalf of nuclear nonproliferation objectives.

RATIONALE

(a) Over the last decade, the United States received numerous high-level official commitments from nations around the world concerning their intentions with respect to the nonproliferation of nuclear weapons. Many of these commitments have been registered in treaty form (e.g., there are now over 150 parties to the Nuclear Non-Proliferation Treaty); but others have been provided in official but less formal arenas. Russia is already required to comply with its arms control commitments to the United States, by means of a reporting requirement created in the Defense Authorization Act of 1986 (Sec. 1002). Modeled on that reporting requirement, the new section seeks to underscore the expectation of the United States that nuclear commitments—especially those commitments deemed by the President to constitute a national obligation—must also be kept. The information required in this report concerns noncompliance—the President is required to report such noncompliance to Congress and steps being taken to respond to such noncompliance.

(b) Diplomatic demarches (defined in the bill) are one of the principal means by which the day-to-day business of nonproliferation is conducted. Yet despite repeated public references to the frequency that the U.S. has issued such demarches, there has never been a systematic assessment of their effectiveness in advancing U.S. nuclear nonproliferation goals. There is some evidence that these demarches have often not proven to be terribly effective: one former U.S. defense official once termed these demarches, "demarche-mallows," while another former German export control official has been widely quoted in the press as saying that these demarches landed in his "waste-paper basket."

The bill states that it is the sense of Congress that developments relating to diplomatic demarches should be included in Executive briefings given the Committees on Foreign Relations and Governmental Affairs in the Senate, and the Committee on Foreign Affairs in the House, in accordance with the reporting responsibilities of sec. 602(c) of the Nuclear Non-Proliferation Act of 1978. In addition, the section also requires the reporting of the numbers of demarches that have been issued by or received by the United States on issues relating to the proliferation of nuclear explosive devices. The report on frequencies of demarches is limited to those that were specifically delivered or received by presidents, vice presidents, Cabinet-level officials, and ambassadors.

Sec. 210. Technical Correction.—Section 210 brings current law up to date with exist-

ing U.S. nuclear regulatory and legal standards for ensuring the physical protection of highly enriched uranium (HEU). Under international guidelines to which the U.S. subscribes (INFCIRC/225 and the Convention on Physical Protection of Nuclear Material) the control standard for HEU is 5 kilograms. The amendment is a minor technical change.

TITLE III—INTERNATIONAL ATOMIC ENERGY AGENCY

Sec. 301. Bilateral and Multilateral Initiatives.—This section is a Sense-of-the-Congress identifying 14 recommended measures to maintain and enhance international confidence in the effectiveness of the activities of the International Atomic Energy Agency (IAEA) and other multilateral efforts to halt the global spread of nuclear weapons.

Sec. 302. Reforms in IAEA Safeguards.—This section urges the President to pursue 13 measures specifically with respect to the implementation of IAEA safeguards. The measures seek to incorporate many lessons that the Agency has learned as a consequence of the implementation of safeguards activities in Iraq, North Korea, and at facilities that store or process bomb-usable nuclear materials.

Sec. 303. Reporting Requirement.—This section requires the President to report to Congress on the initiatives taken pursuant to the recommendations of sec. 301 and 302, and on the consequences of these initiatives.

By Mr. GLENN (for himself, Mr. PELL, and Mr. D'AMATO):

S. 1055. A bill to amend the Nuclear Nonproliferation Act of 1978 and the Atomic Energy Act of 1954 to improve the organization and management of United States nuclear export controls, and for other purposes; to the Committee on Governmental Affairs.

NUCLEAR EXPORT REORGANIZATION ACT OF 1993

• Mr. GLENN. Mr. President, next year I will celebrate the 20th anniversary of my election to the U.S. Senate. I am proud that several of my legislative initiatives—including the Nuclear Nonproliferation Act [or NNPA] and the Glenn-Symington amendment to the Foreign Assistance Act—have established the basic framework for America's efforts to prevent the global spread of nuclear weapons.

ON PROLIFERATION AND LEADERSHIP

Although nuclear nonproliferation requires a collective international effort, I firmly believe that U.S. leadership goes a long way in explaining why there are not more nations with nuclear arsenals today. Unfortunately, the opposite is also true: When United States leadership has faltered, as it did in the case of Pakistan, American policy, or the lack of it, has only helped to make the problem worse. Yet despite such mistakes, I doubt many of the various weapons nonproliferation regimes in the world would exist today if it were not for U.S. leadership—and many of these regimes are maintained largely by means of U.S. monitoring and diplomatic resources. Although America's efforts have not always been successful, we have every reason as a Nation to be proud of this record.

I recall the storm of protest from abroad when the NNPA was enacted. Even some of our close European allies attacked the law's alleged unilateralism. After all, how dare the United States try to interfere with sovereign decisions of other nations: If some countries want to build the bomb, and others wish to help them, then what business is it of ours to interfere with this natural order of things? Even to this day, some observers are still saying that it is better for America to seek to manage the effects of proliferation, than to aim at preventing additional nations from acquiring the bomb or at rolling back existing bomb programs.

The priority found in U.S. law to preventing proliferation has had many positive effects abroad. It is worth recalling that several key features of the NNPA have now been adopted by virtually all the major nuclear suppliers as fundamental requirements for peaceful nuclear commerce. These include the requirements for full-scope international safeguards, for prior consent on future uses, including retransfers, of exported nuclear goods and technology, for controls over the physical security of such exports, and for controls that extend to dual-use goods with potential nuclear weapons applications.

And in April of last year, 27 nations—including virtually all of the world's key suppliers—agreed on export controls on over 60 nuclear dual-use items. This list, and the terms for approving exports of such items, have been used by the United States for years as a result of a requirement found in section 309(c) of the NNPA.

Thus despite the frequent claim that America is in decline, there is still a place for American leadership in the world today. And in the field of nuclear nonproliferation, American leadership has time after time led to the creation of global norms.

Today, more and more people recognize that once a country acts in ways that jeopardize the security of its neighbors or international security as a whole, the behavior of such a country can no longer be dismissed as purely an internal matter. It is equally true that no company has a free and unfettered right to engage in commercial activities of its choosing with complete disregard for the consequences of such activities for society. Even history's top advocates of *laissez faire* recognized the need for some limits on free trade: Adam Smith wrote over 200 years ago that "defence is more important than opulence," and the British economist and politician, Richard Cobden stressed a century ago, "No free trade in cutting throats."

In the past, most of our nuclear nonproliferation laws have focused on creating strong incentives and disincentives to encourage countries not to ac-

quire, or to help others to acquire, the bomb. Today, these laws must not only be strengthened, but supplemented with new laws directed not only at countries, but at companies and persons that place their private profits ahead of the collective good.

The business community here and abroad now stands at a crossroad: It can cooperate with governments and international organizations in finding the means to curtail illicit nuclear commerce, or it can seek to frustrate the pursuit of this goal, to the long-term detriment not only of business, but of world order itself. I call today on the business community to choose the path of constructive cooperation rather than destructive opposition to the goal of preventing nations from engaging or further perfecting the bomb. The global challenge ahead is awesome in scope and cooperation from the business community will be essential.

Today, I estimate that about 20 nations that have pursued the bomb, some more successfully than others. There are five countries that are declared nuclear weapon states, three countries that are de facto nuclear weapon states, at least nine countries that either have had or continue to have bomb programs in the basement, and three countries that separated from a nuclear weapon state but that still possess nuclear weapons. This record brings to mind President John Kennedy's famous warning back in 1963 that "15 or 20 or 25 nations may have these weapons" by the 1970's. President Kennedy could well have added to his list hundreds upon hundreds of companies around the world that have done their share to help these countries to acquire bomb-building capabilities.

We cannot afford to roll dice with history on this issue, we must take some new initiatives to prevent the nightmare predicted by President Kennedy from occurring in this or in some future decade.

ONE VITAL MISSION

Before America offers new responses to this global threat, we must clarify what it is we are seeking to accomplish—we should not, in other words, spin our wheels, or engage in what a philosopher once called "redoubling your effort when you have forgotten your aim," his definition of fanaticism. The long-term goal of my efforts has consistently been to prevent—not to manage or selectively encourage—the global spread of such weapons. Although the actions and inactions of various proliferators and defunct administrations have caused me to double and redouble my efforts over the years, I have never forgotten that the basic aim of our policy is prevention.

This goal is not new, but it does need to be reinforced. A few years before the Nuclear Nonproliferation Treaty [NPT] came into existence in 1968, President Johnson assembled a high-level review

group under the chairmanship of Roswell Gilpatrick to determine whether nonproliferation should be a key goal of U.S. policy and whether the United States should support a treaty based on that goal. As the international community now prepares to review the future of the NPT, which is up for renewal in 1995, it is well to recall some of the findings of the Gilpatrick Report, which are as valid today as they were when they were issued in January 1965. Though still largely classified, the report concluded that:

The spread of nuclear weapons poses an increasingly grave threat to the security of the United States. New nuclear capabilities, however primitive and regardless of whether they are held by nations currently friendly to the United States, will add complexity and instability to the deterrent balance . . . aggravate suspicions and hostility among states neighboring new nuclear powers, place a wasteful economic burden on the aspirations of developing nations, impede the vital task of controlling and reducing weapons around the world, and eventually constitute direct military threats to the United States.

The report also noted that "Major defensive efforts might help substantially to diminish such limited threats, but millions of American lives would always be at risk."

CONTINUITY AND CHANGE

There is surely no silver bullet that will prevent nuclear weapons proliferation, nuclear terrorism, or nuclear war from occurring. But legislation that has helped to prevent or slow down the process of proliferation in the past now needs to be reinforced to meet new challenges that were not fully evident when such legislation was introduced years ago.

For example, as a combined result of the end of the cold war and the chronic decline of the civilian nuclear power industry, there are enormous pressures on specialized companies here and abroad to export sensitive nuclear technology and dual-use goods. These so-called supply-side pressures are eroding the restraints not just of our national legislation but of the entire global nuclear nonproliferation regime—a point that became obvious to all when U.N. inspectors reported what they found in Iraq's secret nuclear weapons facilities. To this day, Saddam refuses to divulge what may well be his most treasured secret: The identity of his foreign suppliers. Without their assistance, Saddam's military threat—maybe even Saddam himself—would not be around to jeopardize world security.

I have seen trade statistics indicating that America may well be the world's largest exporter of nuclear dual-use goods—these are civilian items that also have specific uses in designing or manufacturing the bomb. Over the years, we have sold billions of dollars of such goods to countries we have known are actively engaged in

clandestine bomb programs; indeed, some goods even went to specific facilities that are widely known to be engaged in illicit nuclear activities. Many of these goods were approved, moreover, without referral to the Departments of State or Defense, the Arms Control and Disarmament Agency, or the Nuclear Regulatory Commission.

Since sales of these goods have obviously not slowed or reversed these illicit nuclear programs, I can only conclude that the purposes served by approaching such sales were more likely related to producing profits or to cultivating political goodwill from the importing country, than to preventing nuclear proliferation. Yet if America cannot place security ahead of profits or politics, how can we possibly expect other nations to do so?

Many proponents of sales of nuclear dual-use goods would have us all believe that our balance of trade, even our whole economy, depends on sending Pakistan and other such countries krytrons, maraging steel, beryllium metal, supercomputers, isostatic presses, streak cameras, flash x ray equipment, and centrifuge components. Nothing, of course, is farther from the truth. Countries with clandestine bomb programs still constitute a minuscule proportion of the global marketplace for these and other nuclear-related commodities.

Yet when the survivors, if there are any, comb through the radioactive rubble left over from world war III, they will no doubt find abundant supplies of U.S. goods and technology in the world's most secret nuclear establishments. I am reminded of Pogo's comment years ago, "We have met the enemy and he is us."

Mr. President, in light of these new challenges we are facing, I rise today to introduce legislation designed to strengthen our national effort to prevent the global spread of nuclear weapons.

BASIC POINTS

In summary, the bill I am introducing today—the Nuclear Export Reorganization Act of 1993—launches a four-front attack on the problem. The approach combines sanctions, improvements in the international regime, export controls, and measures to face up to the challenge of the global plutonium economy.

First, as I have said before on several occasions, we must do more to take the profits out of proliferation. Specifically, I propose to expand presidential authority to impose sanctions against companies that engage in illicit sales of nuclear technology and to require new sanctions against countries that traffic specifically in bomb parts or critical bomb design information. The sanctions provisions—which include a ban on government contracting with firms the materially and knowingly as-

sist other nations to acquire the bomb, and additional sever penalties against nations that traffic in bomb parts or critical bomb design information are identical to those found in the Omnibus Nuclear Proliferation Control Act of 1992 (S. 1128), which passed the Senate by unanimous consent three times in 1992—on April 9, September 18, and October 8.

Second, I am proposing in a sense-of-the-Congress that the United States pursue some 27 reforms to strengthen the operation of safeguards administered by the International Atomic Energy Agency [IAEA]. I introduced 21 of these reforms on October 17, 1991—see Senate Joint Resolution 216—and am as convinced as ever that this international agency needs the support and cooperation of all nations as it undergoes many reforms in the wake of the lessons of Iraq and the new challenges from growing commercial uses of bomb-usable nuclear materials.

The third front of attack is export controls. My proposal is designed to be responsive both to the legitimate needs of the exporting community for an efficient and effective licensing process and to the compelling interest of all citizens in protecting our national security.

In particular, the expert control reforms would accomplish the following:

First, it would vest authority to issue dual-use export licenses in the Commerce Department, while ensuring that key agencies with national security responsibilities have full rights to review license applications and to oppose approvals when they would be contrary to the country's nuclear non-proliferation interests.

Second, it would establish the inter-agency Subgroup on Nuclear Export Coordination—which has existed in regulatory form for about a decade—as a formal statutory entity within the National Security Council and would endow it with a clear structure and mission.

Third, it would ensure timely access by relevant agencies to export licensing data and expand information available to the public about dual-use nuclear exports.

Fourth, it would clarify in law the items for denying export licenses by adopting a standard that is now applied by 26 major nuclear supplier nations, not just the United States. And consistent with this multilateral standard, there are no loopholes or special country exemptions in the legislation I am introducing today.

Fifth, it would encourage the basic goal of developing in the United States a domestic industry capable of competing in international markets to sell energy technologies that do not contribute to nuclear weapons proliferation.

Sixth, it would establish a mechanism by which private U.S. industry can assist the Government in identify-

ing foreign competitors that are engaging in illicit nuclear sales, and by so doing, assist in the implementation of appropriate sanctions.

Seventh, it would encourage private firms to adopt voluntary codes of conduct to regulate sales activities without active government intervention.

Eighth, it would upgrade the role of the Department of Defense in reviewing and approving proposed U.S. agreements for nuclear cooperation and proposed exports of U.S. nuclear technology.

Ninth, it would define in law for the first time in U.S. history a term that lies at the heart of all our nuclear non-proliferation efforts, namely, a "nuclear explosive device."

Tenth, it would establish in law specific deadlines on the processing of licenses to export dual-use nuclear items.

Eleventh, it would establish an export control bulletin to address the needs of exporters for more detailed information both about the evolution of U.S. nuclear regulations and the nature of the global threat of nuclear weapons proliferation.

Twelfth, it would provide a means by which potential exporters can obtain advisory opinions from the subgroup with respect to activities that may subject exporters to possible sanctions under existing nuclear export control laws.

The fourth and last front of attack offered in this bill concerns several findings and declarations by the Congress with respect to growing international commercial uses of plutonium, and a requirement for the President to review and modify, as appropriate, a 1981 policy that served to promote such uses. Every since 1981, America has been turning a blind eye toward the global proliferation and environmental risks from large-scale commercial uses of weapons-usable plutonium in Europe, Russia, and Japan. It is time for the policy to be reviewed and brought into line with the high priority our country is supposed to be giving to the goal of reducing the risks of nuclear weapons proliferation.

CONCLUSION

Bernard Baruch once said over 45 years ago that "we are here to make a choice between the quick and the dead." Today, I can say that we have several new choices to make, each one potentially affecting the future of this planet. We must choose between leadership and acquiescence, between quick profits and the defense of our national security interests, and between the rule of law and the law of the jungle. The security threat we must collectively address—both politically here at home and in partnership with other nations—is nuclear war. The eventual goal must be the eventual fulfillment of the U.N. Charter's disarmament objectives, but pending achievement of

that goal, we have an obligation to do all we can to prevent all forms of nuclear weapons proliferation, and—as in the recent cases of South Africa and Brazil—to work to roll back existing bomb programs wherever they may be.

Mr. President, I will have more to say about the proposed legislation in the months ahead and look forward to working with the new administration in ensuring its early enactment. These reforms are long overdue. I encourage my colleagues to join me in this effort to revitalize these key elements of our nonproliferation strategy. Mr. President, I ask unanimous consent to insert into the RECORD a more detailed description of the specific sections of this bill.

Mr. President, I ask unanimous consent to include the chairman of the Foreign Relations Committee as an original cosponsor of the Nuclear Proliferation Control Act of 1993. Largely because of his leadership and commitment to nonproliferation, the Senate passed the nuclear sanctions bill I introduced in the last Congress (S. 1128) on three occasions, each by unanimous consent. I welcome his continuing support for this legislation.

Finally, I am pleased to announce that my colleague from New York, Senator D'AMATO, who serves as the ranking member of the Banking Committee, has also agreed to cosponsor this bill. Senator D'AMATO was also an original cosponsor of the nuclear sanctions bill (S. 1128) I introduced in the last Congress. His support for the new legislation demonstrates not only his commitment to nonproliferation, but also shows his appreciation of the importance of bipartisan approaches to this issue. Mr. President, I ask unanimous consent to designate Senator D'AMATO as an original cosponsor of the Nuclear Proliferation Control Act of 1993.

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

NUCLEAR EXPORT REORGANIZATION ACT OF 1993

A SECTION-BY-SECTION DESCRIPTION

(Prepared by Committee on Governmental Affairs, May 27, 1993)

Section 1. Short Title.—The bill is entitled "Nuclear Export Reorganization Act of 1993."

Section 2: Table of Contents.—This section describes the contents of each of the six titles of the bill.

Section 3: Definitions.—This section contains definitions of 13 terms used in this bill. The term "nuclear explosive device" is defined explicitly for the first time in U.S. law. Nations can design nuclear weapons, or improve existing designs, by means of extremely small explosive tests using minute quantities of bomb material—Sweden, for example, reportedly performed such tests in the early 1970's. The definition incorporates terms used during the Eisenhower Administration to distinguish a nuclear from a non-nuclear explosion (for a discussion, see Robert N. Thorn and Donald R. Westervelt,

"Hydroneuclear Experiments," LA-10902-MS, Los Alamos: Los Alamos National Laboratory, February 1987). The definition is intended as a standard to guide the implementation of nuclear nonproliferation laws and policies and is not intended to foreclose any other definition that may be adopted in the course of the negotiation of any future international agreement limiting the testing of nuclear explosive devices, including a Comprehensive Test Ban Treaty.

The term "unsafeguarded special nuclear material" is defined to include plutonium and other special nuclear materials that are held either in violation of or otherwise outside of International Atomic Energy Agency (IAEA) safeguards; the definition excludes non-sensitive quantities that would qualify for export from the United States under general licensing authority. Material that is explicitly exempted from safeguards pursuant to a safeguards agreement with the IAEA is not included within this definition.

The term "direct-use material" is defined in accordance with current usage of the term by the IAEA (see IAEA Safeguards Glossary, IAEA/SF/INF/1 (Rev. 1), 1987 Edition, Vienna, Austria: IAEA).

Section 4: Findings and Policy.—On January 31, 1992, the United Nations Security Council released a statement following a meeting of Heads of State and Government which concluded that "The proliferation of all weapons of mass destruction constitutes a threat to international peace and security." [UN Security Council Document S/23500, January 31, 1992.] This statement echoes a congressional finding in sec. 2 of the Nuclear Non-Proliferation Act of 1978 (NNPA) that: * * * the proliferation of nuclear explosive devices or of the direct capability to manufacture or otherwise acquire such devices poses a grave threat to the security interests of the United States and to continued international progress toward world peace and development.

Subsection (a) of the current bill builds upon these findings and identifies specific roles that are performed by export controls in addressing the threat of nuclear weapons proliferation. The section also confirms the need for further centralization of the licensing process for certain types of exports.

Subsection (b) states that it is the policy of the U.S. to restrict the export or reexport of goods that would be contrary to U.S. nuclear nonproliferation objectives. The subsection further affirms the need for strengthening sanctions against illicit nuclear suppliers and for clarifying the priority of U.S. national security considerations vis-a-vis commercial concerns in the process of licensing the export of goods and technology that can make atomic and hydrogen bombs. The subsection recognizes the need for the cooperation of other nations and the business community in the implementation of this law and the value of greater public access to information in the nuclear export licensing process.

TITLE I: AMENDMENTS TO THE NNPA

Sec. 101: Report. Each year, sec. 601 of the NNPA requires the President to submit an unclassified report to Congress on developments with respect to global spread of nuclear weapons. Sec. 101 of the current bill would expand this reporting requirement to include nonproprietary details from the export licensing process for nuclear dual-use items (as defined in sec. 3 of the bill), as well as U.S. exports of components of nuclear facilities and authorizations for the export of specific nuclear technology and services; the section also requires the reporting of in-

stances when sanctions have been imposed. In the 102nd Congress, conferees to the bill to reauthorize the Export Administration Act agreed to the text of this reporting requirement, but the House did not approve the conference report. [The Senate approved this language on October 8, 1992, Congressional Record, p. S-17948 ff. Also see H.R. 3489, the "Omnibus Export Amendments Act of 1992," and H.Rept. 102-1025.]

Sec. 102: Creation of the Subgroup. Sec. 309(c) of the NNPA established a requirement for the President to publish procedures regarding control by the Department of Commerce over all export items " * * * which could be, if used for purposes other than those for which the export is intended, of significance for nuclear explosive purposes." The procedures were to provide for prior consultations, as required, by the Department of Commerce with the Department of State, the Arms Control and Disarmament Agency, the Nuclear Regulatory Commission (NRC), the Department of Energy, and the Department of Defense.

On June 7, 1978 procedures were published (43 Federal Register 25326) in accordance with the provisions of sec. 309(c); these procedures were updated (49 Federal Register 20780) on May 16, 1984. These regulations established an Interagency "Subgroup on Nuclear Export Coordination" (Subgroup), subordinate in practice to the National Security Council, and made up of the agencies listed in sec. 309(c) of the NNPA. The Subgroup was given several responsibilities, including the review of licenses for the export of nuclear dual-use items (collectively known as the "Nuclear Referral List," in addition to certain other goods and data), when such licenses are referred to the Subgroup by the Departments of Commerce or Energy; Subgroup was also charged with providing its "advice and recommendations" to the Department of Commerce on these specific license applications. Virtually all of the items on the Nuclear Referral List were, on April 2, 1992, adopted by 26 other exporting nations in a Warsaw meeting of the Nuclear Suppliers Group and are, therefore, no longer under strictly unilateral U.S. export controls. [See International Atomic Energy Agency, Information Circular 254/Rev.1/Part 2, July 1992, hereinafter cited as the "Warsaw guidelines."]

Sec. 102(a) of the bill formally establishes the Subgroup as an entity within the National Security Council. This measure is consistent with the history of the Subgroup as a "subgroup" within the NSC. Moreover, the long-standing definition in U.S. law (see sec. 2 of the NNPA) of nuclear weapons proliferation as a "grave threat to the security interests of the United States" further supports the formal inclusion of the Subgroup within the NSC.

Sec. 102(b) amends the NNPA by establishing two new sections (sections 310 and 311) to structure the implementation of the nuclear dual-use export controls required by sec. 309(c) of that Act.

SUMMARY OF SECTIONS 310 AND 311

The new sec. 310 of the NNPA would establish in law: the composition and functions of the Subgroup; the scope of interagency and public access to export licensing information; and the requirement for the Chairman of the Subgroup to publish an "Export Control Bulletin" (described in further detail below) to inform exporters and the general public about the risks of proliferation and efforts to reduce or eliminate such risks.

Sec. 311 deals with the export licensing process and establishes: a list of controlled

nuclear dual-use items; the central administrative role of the Secretary of Commerce for processing all applications to export such items and for record keeping; a licensing denial standard adopted from the Warsaw guidelines of the Nuclear Suppliers Group; expanded review and denial authorities for members of the Subgroup; factors for Subgroup members to consider in reviewing license applications; the schedule for processing export licenses; authority for the President to establish an appeals procedure for license denials issued by the members of the Subgroup; and a procedure for companies to seek court relief from excessive delays in the licensing process.

DESCRIPTION OF LICENSING PROCEDURES

The bill retains the current agency composition of the Subgroup—the six agencies designated in sec. 309(c)—but adds a requirement that the individual members shall have "expertise in the control of exports and the non-proliferation of nuclear explosive devices" [sec. 310(a)]. The functions of the Subgroup [sec. 310(b)] are substantially the same as exist under current regulations, except that the Subgroup will under this legislation have expanded authority to make decisions on license applications and new authority to investigate claims by U.S. companies about illicit sales by foreign competitors, and to recommend sanctions, as appropriate and subject to presidential approval, against such activities.

A new sec. 310(c) of the NNPA will give each member of the Subgroup "full, timely, and equal access" to export licensing data for nuclear dual-use goods and will also permit the Subgroup members to obtain from the Department of Commerce other licensing data that are needed for nuclear non-proliferation purposes. This requirement is necessary in light of substantial, well-documented, and long-standing administrative problems in the interagency dissemination of data on export licenses with implications for nuclear weapons proliferation. See, for example: (a) House of Representatives, Committee on Ways and Means, "Administration and Enforcement of U.S. Export Control Programs," Hearings before the Subcommittee on Oversight, 102nd Congress, First Session, Serial 102-72, April 18 and May 1, 1991; (b) House of Representatives, Committee on Government Operations, "U.S. Government Controls on Sales to Iraq," Hearing before the Commerce, Consumer, and Monetary Affairs Subcommittee, 101st Congress, Second Session, September 27, 1990; and (c) House of Representatives, Committee on Government Operations, "Strengthening the Export Licensing System," 102nd Congress, First Session, H. Rept. 102-137, July 2, 1991.

In addition, certain categories of non-proprietary data would be made available to the public, excluding any proprietary data identifying names of license applicants or dollar values of specific exports.

Sec. 310(d) requires the Chairman of the Subgroup to establish an "Export Control Bulletin" for the purposes of informing the public and the exporting community about the risks of proliferation and efforts to reduce or eliminate such risks. Material to be included in this bulletin will assist both licensing authorities and the exporting community in establishing "reason to know" as this term is used in this legislation.

Although the contents of this bulletin will be determined by the Chairman, in consultation with the members of the Subgroup, the following types of subjects would be among those that would be appropriate to include in the bulletin: (a) notices of export control

training seminars offered by agencies of the United States government; (b) notices of judicial or public enforcement actions taken in the United States and in other nations concerning illicit nuclear export; (c) national and multilateral policy declarations with respect to nuclear export controls; (d) descriptions of relevant activities and publications of international organizations; (e) questions and answers concerning the nuclear export licensing process; (f) notices of methods for reporting evidence of illicit nuclear export activities to export control enforcement authorities; (g) advice on approved methods for expediting the processing of license applications; (h) advisory notices of warning signs of potential illicit exports; (i) methods for resolving uncertainties over commodity classifications; (j) addresses and telephone numbers of relevant export control offices; (k) potential abuses of civilian commodities for nuclear explosive purposes; (l) advice on finding background information about foreign importers of nuclear dual-use goods; (m) companies, facilities, installations, or individuals that have been officially designated by other members of the Nuclear Suppliers Group to be unreliable destinations for goods covered by multilateral nuclear export controls; (n) documented case studies involving the diversion of exported goods and technologies for nuclear explosive purposes; and such additional information as the Chairman, in consultation with the Subgroup, may include to enhance the awareness of exporters of the risks of exporting nuclear dual-use goods.

Section 311(a) establishes three types of nuclear dual-use goods requiring special controls under sec. 309(c): specific items with nuclear dual-use applications (the "Nuclear Referral List" or N.R.L.); non-N.R.L. items that are controlled for national security purposes and that are intended for a nuclear-related end-use or end-user; and other goods that the exporter knows or has reason to know will be used directly or indirectly (a term defined in sec. 311(a)(3)(B)) in designated nuclear fuel cycle or nuclear explosive activities. This language closely parallels the same standards used in 15 C.F.R. 778 with respect to the export of such items. The "knowledge" standard is further discussed in the commentary on sec. 401 below. Consistent with the requirements of sec. 309(c), a new sec. 311(b) designates the Secretary of Commerce as responsible for processing all nuclear dual-use license applications and for record keeping.

Sec. 311(c)(1) identifies two fundamental standards that must be met before a nuclear dual-use good can be approved for export. The Subgroup shall review each license to determine if approval would: (1) be contrary to the objective of averting the proliferation of nuclear explosive devices; or (2) pose an unacceptable risk of diversion to a nuclear explosive activity or to an unsafeguarded nuclear fuel cycle. These denial standards have been multilaterally adopted by the members of the Nuclear Suppliers Group under the Warsaw guidelines.

Sec. 311(c)(2) prohibits the Secretary of Commerce from approving any specific license of any nuclear dual-use item if the Subgroup cannot agree that the item has fully satisfied the standards of subsection (c)(1). Sec. 311(c)(3) places into law the "factors to consider" that are currently used by Subgroup agencies pursuant to 15 C.F.R. 778.4 for reviewing exports of nuclear dual-use items destined to non-nuclear-weapon states. The Warsaw guidelines also include the commitment of 26 other countries to apply these

factors in reviewing their own license applications.

Sec. 311(d) contains processing deadlines for the Subgroup and procedures for companies to seek judicial relief from excessive delays in the processing of license applications; these criteria are identical to those currently in use by the Subgroup (see 56 *Federal Register* 6701). The section also authorizes any member of the Subgroup to appeal the denial of a license to the President, in accordance with such regulations as the President prescribes to carry out the objectives of this legislation.

Sec. 103. Non-Nuclear Energy Resources.—This section places the Congress on record as supporting the goal of developing a domestic industry in the United States capable of competing on international markets for the sale of energy technologies consistent with the goals of sec. 501(a) of the NNPA (concerning the development of non-nuclear energy resources in developing countries). This section also requires the President to review all federally funded research and development consistent with the goals of sec. 501(a) of the NNPA and to report to Congress the findings of this review with respect to the adequacy of those R&D efforts.

TITLE II—INITIATIVES TO STRENGTHEN COMPLIANCE

Sec. 201.—Although U.S. export controls over dual-use nuclear items are now being coordinated with 26 other nations pursuant to the Warsaw guidelines, U.S. exporters will still be at a commercial disadvantage if their foreign competitors engage in illicit nuclear sales despite these multilateral guidelines. One way to respond to such sales is simply to eliminate U.S. controls so that competition can occur on what some call a "level playing field." Such an approach would amount to a policy of "competition in proliferation," however, and would be totally inconsistent with U.S. domestic and international legal obligations with respect to nuclear non-proliferation.

Instead, sec. 201 establishes a procedure by which any U.S. exporter of a nuclear dual-use item who believes a foreign competitor is engaging in illicit sales—such as sales in violation of the Warsaw guidelines—can bring evidence to the Subgroup and petition for an investigation; if the Subgroup undertakes such an investigation, it may recommend sanctions be imposed against the firm that is engaging in such illicit sales. Sanctions will be imposed against such any such firm with the approval of the President.

Sec. 202.—Subsection (a) directs the Subgroup to prepare guidelines for the adoption of voluntary "codes of conduct" by companies that export nuclear dual-use items. This provision follows recommendations that have been made by segments of the business community to encourage exporters to know their customers and to adopt company guidelines to ensure that exports will not contribute to the proliferation of nuclear explosive devices.

Subsection (b) requires the Subgroup to undertake a review of the circumstances under which nuclear dual-use items could be exported by means other than specific validated export licenses, without jeopardizing nonproliferation objectives. Subsection (c) enables the Subgroup to issue advisory opinions on whether specific export activities would subject the exporter to sanctions under existing legislation. Possession of an advisory opinion, however, does not constitute grounds for failing to comply with the terms of this Act (as, for example, in the case of fraudulent or deceptive requests for

opinions). Receipt of an advisory opinion is not, therefore, a license to proliferate. Subsections (d) and (e) are intended to encourage the adoption by the Subgroup of measures to expedite the licensing process.

TITLE III—AMENDMENTS TO THE ATOMIC ENERGY ACT

Sec. 301.—Under this section, the Department of Defense is given the same review and concurrence authorities as the Department of State with respect to authorizations by the Department of Energy for "subsequent arrangements," which set forth the terms and conditions for foreign uses of U.S. nuclear goods and technology after they are exported from the United States. In addition, this section requires that Congress will be informed of the technical basis for the satisfaction of the standard of "timely warning" found in sec. 131 of the Atomic Energy Act.

Sec. 302.—Under this section, the Department of Defense is given the same concurrence authorities as the Department of Energy with respect to approvals of proposed agreements for nuclear cooperation. The sole authority of the Department of State to negotiate such agreements is preserved. This section was added in light of well-documented difficulties that were experienced by the Department of Defense over the last decade in participating in reviews of proposed agreements for nuclear cooperation, in particular with Japan. [See Senate, Committee on Governmental Affairs, "Nonproliferation and U.S. National Security," Hearings 100th Congress, First Session, S. Hrg. 100-88, February 24-25 and March 5, 1987.]

Sec. 303.—Under this section, the Department of Defense is given the same review and concurrence authorities as the Department of State with respect to authorizations for U.S. citizens to work in other countries in activities relating to the production of special nuclear material.

Sec. 304.—This section expands the terms for halting nuclear cooperation under sec. 129 of the Atomic Energy Act to include violations of the Nuclear Export Reorganization Act.

Sec. 305.—Under this section, the Department of Defense is given the same review and concurrence authorities as the Department of State with respect to exports of components of nuclear facilities, as licensed pursuant to sec. 109b of the Atomic Energy Act.

TITLE IV—SANCTIONS FOR NUCLEAR PROLIFERATION

Section 401: Imposition of Sanctions.

PURPOSE

This section broadens presidential authority to impose sanctions against foreign and domestic persons that the President determines have contributed to the global proliferation of nuclear weapons. Specifically, the sanctions seek to deter illicit exports from the United States or a foreign nation of goods or technology that would assist any individual, group, or non-nuclear-weapon state to acquire a nuclear explosive device or unsafeguarded special nuclear material.

The section establishes explicit presidential authority to ban U.S. government procurements from foreign or domestic firms that have "materially and with requisite knowledge" contributed to the proliferation of nuclear explosive devices or access to unsafeguarded bomb materials. The term "with requisite knowledge" derives from the use of the term "knowing," as defined in the Foreign Corrupt Practices Act of 1977, and "has reason to know," as that term has long been used in existing nuclear export control regulations.

RATIONALE

All Americans recognize that the acquisition by additional nations or groups of nuclear explosives or bomb material would jeopardize vital U.S. interests and world peace. Yet with respect to U.S. government purchases and U.S. imports of goods produced by firms that engage in proliferation-related exports, U.S. statutory sanctions are currently more punitive for missile and chemical biological weapons proliferation than for illicit activities promoting the global spread of fission or hydrogen bombs.

P.L. 101-510, for example, authorizes the President (inter alia) to ban U.S. government contracts with, and U.S. imports of goods produced by, foreign firms that engage in illicit sales of sensitive missile technology; similar sanctions are now found in legislation (P.L. 102-138 and P.L. 102-182) concerning the proliferation of chemical and biological weapons. Current nuclear sanctions, by contrast, provide for penalties relating to denials of foreign aid and nuclear cooperation—but provide no equivalent statutory penalties for foreign firms that traffic in illicit nuclear weapon-related goods.

The sanctions, triggering procedures, scope of persons affected, foreign government consultations, report, exceptions, waivers, and terms for terminating sanctions used in this section were modeled after the sanctions provisions in previous legislation addressing missile, chemical, and biological weapons proliferation. Sec. 401(b) of the bill authorizes the President to delay the imposition of sanctions in order to permit consultations with foreign governments to halt the prohibited activity. Consistent with a colloquy between Senator Jake Garn and Senator John Glenn on October 8, 1992 (Congressional Record, page S-17954), it is the intention of this legislation that the President may also temporarily delay the imposition of sanctions when such a delay is necessary to protect intelligence sources and methods, provided that the delay does not result in a significant risk of additional transfers of sanctionable goods or technology, and that the delay is not used to further any policy other than nonproliferation.

The case for the government procurement sanctions rests on cumulative revelations of the extent that foreign firms have been suppliers of secret nuclear weapons programs around the world. On March 22, 1989, for example, the Washington Post cited a raid by the West German government that discovered 70 German firms that had been active suppliers of Pakistan's nuclear program. In 1991, UN inspectors of Iraq's destroyed nuclear facilities discovered extensive reliance on foreign equipment and technology. Moreover, press accounts have identified a number of foreign commercial enterprises that did extensive business with both the U.S. government and the Iraqi defense establishment.

The denial of foreign aid and nuclear cooperation—once a powerful sanction—may well (with low levels of foreign aid and the continuing stagnation of the nuclear power industry) decline in value as a means to curb proliferation in the 1990's. The sanctions in this section therefore grant the President specific authority to deploy an additional powerful deterrent—the procurement ban—against illicit sales by firms that do extensive business with the federal government. Although import sanctions were originally intended to be included in this bill, they were withdrawn to permit the House to originate this particular sanction in accordance with House rules.

Because there are a variety of circumstances under which a person can "know" a certain fact—and because "material" does not require further definition in law—it is useful to clarify the legislative intent of the term "requisite knowledge" as used in this bill.

United States regulations have for many years (e.g., see 45 Federal Register 43143, June 25, 1980) required U.S. exporters to apply for a validated license prior to the export of goods or technology which the exporter "knows or has reason to know" will be used for purposes related to nuclear weapons or the production of special nuclear material. Under 10 C.F.R. 810, the Department of Energy uses this approach in authorizing U.S. persons to participate in the foreign production of nuclear materials. The Commerce Department has also issued regulations (15 C.F.R. 778.3) requiring exporters to apply for a validated license for technical data and commodities that the exporter "knows or has reason to know" will be used, directly or indirectly, in various nuclear-weapon-related activities.

The evolution of this standard derives from Congress's early concerns about the contributions that dual-use goods can make to a clandestine nuclear weapons program, concerns that have over the years been reaffirmed as a result of the efforts of Pakistan, Iraq, and other nations to acquire such goods for illicit weapons purposes. These efforts, moreover, are continuing today.

In 1978, Congress established the original statutory basis for dual-use nuclear export controls in sec. 309(c) of the NNPA. Under that section, the President was directed to publish regulations regarding the control by the Department of Commerce over the export of dual-use goods with potential nuclear weapons applications; specifically, the law required controls over a broad category of goods that were described as follows: "all export items . . . which could be, if used for purposes other than those for which the export is intended, of significance for nuclear explosive purposes" (emphasis added). Regulations implementing this section are found in 15 C.F.R. 778.

On March 13, 1991, the Department of Commerce published a proposed rule (56 Federal Register 10765) that attempted to define the specific circumstances under which an exporter "knows" a specific good will be used in a chemical or biological weapons or missile facility. On August 15, 1991, however, the Department issued an interim rule relying instead upon "existing case law and judicial interpretation" for guidance on the definition of the term "know" (56 Federal Register 40495). In publishing this regulation, the Department stated that "the standard in the nuclear controls is not being changed at this time." (p. 40495)

The definition of "requisite knowledge" used in this bill is not intended to supplant any other knowledge standard used for chemical or biological weapon or missile proliferation controls or any other law. There are, however, many reasons for explicitly incorporating "reason to know" within the broad definition of "knowledge" in this nuclear sanctions bill.

First, Presidents and Congresses have for over 45 years designated the global spread of nuclear weapons as posing unique and potentially grave threats to the national security of the United States. Although the global spread of all weapons of mass destruction jeopardizes U.S. security, nuclear weapons remain to this day the only devices that can obliterate entire cities in an instant. Halting

the proliferation of such weapons requires special attention under our law: the "reason to know" standard creates an additional incentive for exporters to familiarize themselves with their customers and the end uses of their products.

Second, the gravity of this threat requires that law enforcement officials have sufficient authority to prevent the export of goods or data from the United States which could help additional nations to acquire the bomb. By its references to the need to control the export of goods that "could be *** of significance for" nuclear explosive purposes, sec. 309(c) of the NNPA clearly intended such controls to be broad. Similarly, the Nuclear Non-Proliferation Treaty (Article I) obligates the United States: *** not in any way to assist, encourage, or induce any non-nuclear-weapon State to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices, or control over such weapons or explosive devices.

Although it is impossible to define in positive law all of the conceivable circumstances that would constitute "knowledge" of a specific nuclear weapon development, it is certain that a broad definition is required, given the unambiguously wide scope of America's domestic and international legal obligations not to promote nuclear proliferation.

Third, there is a considerable body of case law and judicial interpretation of the term "reason to know" which provides guidance as to the interpretation of that term. Statutes and regulations ranging from U.S. tort law, the Uniform Commercial Code, the International Traffic in Arms Regulations, anti-boycott trade controls, regulations on exports of police or military equipment to South Africa, and even the Migratory Bird Act—all illustrate past judicial and regulatory experience in adjudicating and implementing the "reason to know" standard. A similar standard is found in the Export Administration Act, which requires (in sec. 11 (b)(3)) severe penalties against any person who possesses any goods or technology *** knowing or having reason to believe" that such items would be exported in violation of sections 5 or 6 of that Act. As used in this bill, the definition of "reason to know" is intended to be fully consistent with the use of the term in 10 C.F.R. 810, 15 C.F.R. 778.3, and existing legal and regulatory precedents.

Subsection (d) of sec. 401 authorizes the Secretary of State to issue advisory opinions to any person seeking to inquire whether a specific activity would subject that person to sanctions under this legislation. It is the intent of this section that any exporter who engages in an activity that is fully consistent with the terms of an advisory opinion issued pursuant to this section, should not be subject to sanctions under this legislation. Possession of an advisory opinion, however, does not constitute grounds for failing to comply with the terms of this Act (as, for example, in the case of fraudulent or deceptive requests for opinions). Receipt of an advisory opinion is not, therefore, a license to proliferate.

Sec. 402. Eligibility for Assistance.

PURPOSE

This section (a) amends the Arms Export Control Act to ensure that foreign recipients of U.S. arms exports are not in material breach of their nuclear nonproliferation treaty commitments; (b) amends the Foreign Assistance Act to authorize the President to waive for one year the prohibitions of Sec-

tion 670(a)(1) concerning illicit transfers of nuclear reprocessing technology and illicit nuclear procurements in the United States; and (c) amends further the Foreign Assistance Act by requiring Pakistan to satisfy the same nuclear standards in the Glenn/Symington amendment (sections 669 and 670 of the Foreign Assistance Act) that are required of all other non-nuclear-weapon states that receive U.S. foreign aid.

RATIONALE

(a) This section creates a strong disincentive for recipients of U.S. arms exports to promote nuclear proliferation, and a strong incentive for such recipients to live up to their nuclear nonproliferation treaty commitments. The section is prospective: it is not intended to punish activities that occurred before enactment of this section.

(b) Current law (Section 670(a)(2) of the Foreign Assistance Act) authorizes the President to waive of any penalties for illicit transfers of nuclear reprocessing technology and for illicit nuclear procurement attempts in the United States. There is no time limitation in the current law constraining how long such a waiver may be issued. The new language would authorize the President to issue a waiver in any specific fiscal year, upon making the certifications that are currently required under that section.

(c) Two of America's most important nuclear sanctions are found in sections 669 and 670 of the Foreign Assistance Act; 669 cuts off aid if a nation traffics in unsafeguarded uranium enrichment technology, while section 670 cuts off aid if a nation transfers or receives nuclear reprocessing technology or (among other activities) illicitly seeks nuclear technology in the U.S.

As originally enacted, sanctions under both sections can be waived by the President under specific circumstances identified in those sections. In 1981, however, President Reagan sought new waiver authority for Pakistan in order to facilitate U.S. assistance to the Afghan rebels; this new authority was needed because Pakistan could not satisfy the requirements for the existing waiver authority in the Foreign Assistance Act. In short, although Pakistan was indeed engaging in illicit imports of unsafeguarded uranium enrichment technology, and given that Pakistan would not provide "reliable assurances" that it would not acquire the bomb, America nevertheless wanted to continue aid in order to achieve the goal of expelling the Soviets from Afghanistan.

In 1981, Congress agreed to extend a temporary (6 year) waiver of the uranium enrichment sanctions called for in sec. 669. After this waiver authority expired in 1987, it was renewed for shorter periods of time; this waiver authority officially expires on September 30, 1993. In early 1982, President Reagan issued P.D. 82-7, which waived indefinitely the nuclear reprocessing sanctions required in Sec. 670. In early 1988, President Reagan issued P.D. 88-5 to waive sanctions against a specific attempt by Pakistan to acquire material that "... was to be used by Pakistan in the manufacture of a nuclear explosive device."

Thus, Congress has on 5 occasions granted special waiver authority for Pakistan under sec. 669; the President has issued 1 indefinite waiver of the reprocessing provision in sec. 670, and 1 waiver for penalties associated with an illicit effort by Pakistan to violate U.S. nuclear export control laws. Yet despite these special waivers and large-scale U.S. economic and military assistance throughout the 1980's, Pakistan's bomb program continued to move forward. On February 7, 1992,

the Washington Post reported that the Pakistani foreign secretary, Shahryar Khan, had stated in an interview that Pakistan now possesses "elements which, if put together, would become a device."

The Soviet withdrawal from Afghanistan, coupled with alarming new developments in Pakistan's nuclear program in recent years (including continuing cooperation with China), calls for an end to Pakistan's special waivers of nuclear sanctions under the Glenn/Symington amendment. The price of continuing these waivers is greater than any conceivable gain to U.S. nonproliferation objectives.

A new waiver of 669, for example, would under current law permit (assuming Pakistan could meet other nonproliferation conditions under sec. 620E-e) continuation of economic or military aid to Pakistan even if Pakistan later provides Libya or Iran with the complete plans for a uranium enrichment plant. If a waiver were in force for Sec. 670, Pakistan could transfer the plans for a plutonium separation plant to any other country and incur no foreign aid penalty under U.S. law. To reduce such risks, the new section would simply return Pakistan to treatment accorded to every other non-nuclear-weapon nation under the Glenn/Symington amendment.

Sec. 403. Role of International Financial Institutions.

PURPOSE

This section requires U.S. directors in international financial institutions to oppose "any direct or indirect use" of institution funds that would assist non-nuclear-weapon nations to acquire nuclear explosive devices or unsafeguarded special nuclear material. The section would also require U.S. directors "to consider" the nuclear nonproliferation credentials of the nation that would benefit from funding offered by such agencies.

RATIONALE

Multilateral funding agencies (World Bank, International Development Agency, International Finance Corporation, regional development banks, etc.) each year provide billions of dollars for legitimate development projects throughout the world. The purposes of U.S. "development" assistance do not now include—and must never be permitted to include—aid in developing the bomb. By ensuring that no U.S. funds that have been provided to multilateral development agencies will be used either directly or indirectly to promote nuclear proliferation, this section would serve both U.S. national security and foreign policy interests.

This section follows several non-nuclear statutory precedents with respect to the voice and vote of U.S. executive directors in such institutions. For example: (1) 22 U.S.C. 262d requires that U.S. directors, in connection with their voice and vote in such institutions, "shall advance the cause of human rights"; (2) in accordance with 22 U.S.C. 262g, U.S. representatives in such institutions "shall oppose any loan or other financial assistance" to promote any foreign exports of palm oil, sugar, or citrus crops if such exports would cause injury to U.S. producers; (3) in 22 U.S.C. 262h, the Secretary of Treasury is required to instruct the U.S. directors "to use the voice and vote of the United States to oppose" any assistance that would promote the foreign production of any commodity or mineral whose export would cause substantial injury to U.S. producers; and (4) as required by 22 U.S.C. 262n-2, the Secretary of Treasury shall instruct the U.S. directors

to use the "voice and vote" to oppose financing of projects that will produce exports in violation of the General Agreement on Tariffs and Trade.

Sec. 404. Amendment to the International Emergency Economic Powers Act.

PURPOSE

This section ensures that a wide range of options will be available to the President for purposes of imposing economic sanctions against companies that engage in activities that promote the international spread of nuclear explosive devices or unsafeguarded special nuclear material.

RATIONALE

This section specifically extends the grants of authorities provided to the President under sec. 203 of the International Emergency Economic Powers Act to deter firms from engaging in activities relating to the proliferation of nuclear explosive devices. The wide scope of the sanctioning powers under that section will both enhance the credibility of the sanctions and provide the President with some flexibility to apply penalties in specific circumstances when a U.S. government procurement ban would be either inappropriate or ineffective. Such powers would be essential, for example, in the event a company is promoting proliferation yet does not have any contracts with the federal government.

Sec. 405. Amendments to FDIC Improvement Act.

PURPOSE

This section expands the President's authority to apply sanctions against banks and financial institutions that knowingly promote nuclear proliferation.

RATIONALE

Based on evidence (e.g., testimony of David Kay of the International Atomic Energy Agency before the Senate Committee on Foreign Relations on October 17, 1991) that banks played significant roles in assisting Iraq to acquire illicit nuclear technologies, this section amends the Federal Deposit Insurance Corporation Improvement Act of 1991 to mandate a ban on dealings by banks and other financial institutions in U.S. government finance and other restrictions on the operation of such institutions in the United States, if the President determines that they have materially and with requisite knowledge assisted non-nuclear-weapon states to acquire unsafeguarded special nuclear material or nuclear explosive devices. The sanctions under this section contain waiver authority in the event any such sanction would "have a serious adverse effect on the safety and soundness of the domestic or international financial system or on domestic or international payments systems."

Sec. 406. Export-Import Bank.

PURPOSE

Section 406 requires the Secretary of State to report to Congress and to the Board of Directors of the Ex-Im Bank if the Secretary determines that any country "has willfully aided or abetted" a non-nuclear-weapon state to acquire explosive device or unsafeguarded special nuclear material. Ex-Im Bank credits would then be suspended, unless the President determines it is in the national interest to continue such credit.

RATIONALE

The Export-Import Bank Act already contains a report requirement along these lines, but the existing law only addresses circumstances in which nations violate IAEA safeguards or a U.S. agreement for nuclear

cooperation. The new language expands the scope of the report to a wider range of activities relating to illicit nuclear assistance to other nations.

Sec. 407. Additional Amendments to the Foreign Assistance Act of 1961.

PURPOSE

Section 407 expands sanctions against nations that transfer a nuclear explosive device, design information of such a device, or any important component of a nuclear explosive device to a non-nuclear-weapon state.

RATIONALE

Under Section 670(b)(1) of the Foreign Assistance Act as currently worded, no foreign assistance may be given to any non-nuclear-weapon state that either receives or detonates a nuclear explosive device. The new language would extend this penalty to include receipt of essential bomb parts or bomb design information. Current law would only impose a penalty if a complete bomb were physically transferred to a non-nuclear-weapon state—yet if a recipient of U.S. aid gave Syria or Iraq a bomb design, for example, or fabricated components of a bomb or bombs, there would be no explicit penalty under U.S. law. This section would strengthen sanctions to address just such situations.

As a result of an amendment adopted unanimously by the Foreign Relations Committee in last year's bill (S. 1128), the bill includes additional sanctions against countries that the President has determined have violated the prohibitions of Section 670(b)(1). The new sanctions include at a minimum: termination of foreign assistance, arms sales, U.S. government credits, arms sales financing, multilateral development bank assistance, bank loans, and U.S. exports (excluding only agricultural commodities and food). The section exempts from sanctions certain activities undertaken pursuant to Title V of the National Security Act (relating to congressional oversight of intelligence activities).

The intent of this section is to strengthen sanctions against, and thereby to deter, the proliferation of nuclear explosive devices and the most critical design information and components of such devices. Transfers to a non-nuclear-weapon state of design information of nuclear explosive devices or of any components determined by the President to be both known by the transferring country to be intended by the recipient state for use in any such a device, would be treated under U.S. law as though a device itself had been transferred; penalties for such transfers could only be waived in accordance with the limited waiver authority provided in sec. 407(c) of the bill.

Sec. 408. Reward.

PURPOSE

This section authorizes the Secretary of State to pay rewards for information relating to acts substantially contributing to the risk of illicit foreign acquisition of unsafeguarded nuclear material or a nuclear explosive device.

RATIONALE

Under Section 36 of the State Department Basic Authorities Act (P.L. 84-885), the Secretary of State already has authority to pay rewards for information relating to terrorist activities. On July 15, 1991, the State Department's Acting Coordinator for Counterterrorism testified before the Senate Committee on Governmental Affairs that the Department had found this reward authority to be "... unequivocally a successful program." As devastating as contemporary ter-

rorism can be, a nuclear explosive can produce terror on a far greater scale—yet under current law, the Secretary of State is not statutorily authorized to pay rewards for information useful in halting nuclear proliferation. The new section would require no payments, it would only authorize the Secretary of State to issue such payments should they advance the goals of nuclear nonproliferation.

Sec. 409. Reports.

PURPOSE

Section 409 requires (a) that the ACDA annual report to Congress shall include a section on instances when other nations have failed to comply with their commitments to the United States with respect to nuclear nonproliferation; and (b) that Congress be kept fully and currently informed, in accordance with Executive reporting responsibilities under Section 602(c) of the Nuclear Non-Proliferation Act of 1978, about the status of diplomatic demarches issued on behalf of nuclear nonproliferation objectives.

RATIONALE

(a) Over the last decade, the United States received numerous high-level official commitments from nations around the world concerning their intentions with respect to the nonproliferation of nuclear weapons. Many of these commitments have been registered in treaty form (e.g., there are now over 150 parties to the Nuclear Non-Proliferation Treaty); but others have been provided in official but less formal arenas. Russia is already required to comply with its arms control commitments to the United States, by means of a reporting requirement created in the Defense Authorization Act of 1986 (Sec. 1002). Modeled on that reporting requirement, the new section seeks to underscore the expectation of the United States that nuclear commitments—especially those commitments deemed by the President to constitute a national obligation—must also be kept. The information required in this report concerns noncompliance—the President is required to report such noncompliance to Congress and steps being taken to respond to such noncompliance.

(b) Diplomatic demarches (defined in the bill) are one of the principal means by which the day-to-day business of nonproliferation is conducted. Yet despite repeated public references to the frequency that the U.S. has issued such demarches, there has never been a systematic assessment of their effectiveness in advancing U.S. nuclear nonproliferation goals. There is some evidence that these demarches have often not proven to be terribly effective: one former U.S. defense official once termed these demarches, "demarche-mallows," while another former German export control official has been widely quoted in the press as saying that these demarches landed in his "waste-paper basket." The bill states that it is the sense of Congress that developments relating to diplomatic demarches should be included in Executive briefings given to the Committees on Foreign Relations and Governmental Affairs in the Senate, and the Committee on Foreign Affairs in the House, in accordance with the reporting responsibilities of sec. 602(c) of the Nuclear Non-Proliferation Act of 1978.

Sec. 410. Technical Correction.—Section 410 brings current law up to date with existing U.S. nuclear regulatory and legal standards for ensuring the physical protection of highly enriched uranium (HEU). Under international guidelines to which the U.S. subscribes (INFCIRC/225) and the Convention on Physical Protection of Nuclear Material) the

control standard for HEU is 5 kilograms. The amendment is a minor technical change.

TITLE V—INTERNATIONAL ATOMIC ENERGY AGENCY

Sec. 501. Bilateral and Multilateral Initiatives.—This section is a Sense-of-the-Congress identifying 14 recommended measures to maintain and enhance international confidence in the effectiveness of the activities of the International Atomic Energy Agency (IAEA) and other multilateral efforts to halt the global spread of nuclear weapons.

Sec. 502. Reforms in IAEA Safeguards.—This section urges the President to pursue 13 measures specifically with respect to the implementation of IAEA safeguards. The measures seek to incorporate many lessons that the Agency has learned as a consequence of the implementation of safeguards activities in Iraq, North Korea, and at facilities that make large-scale commercial uses of bomb-usable nuclear materials.

Sec. 503. Reporting Requirement.—This section requires the President to report to Congress on the initiatives taken pursuant to the recommendations of sec. 501 and 502, and on the consequences of these initiatives.

TITLE VI—REVIEW OF PLUTONIUM USE POLICY

Sec. 601. Findings and Declarations.—This section contains 13 congressional findings with respect to the alarming rise in international commercial uses of bomb-usable nuclear material, much of which is of U.S. origin or subject to U.S. consent rights.

Sec. 602. Report.—This section requires the President to reexamine a 1981 U.S. policy with respect to foreign uses of U.S.-controlled plutonium, to modify that policy as appropriate, and to report to Congress on the results of the review of U.S. policy.●

By Mrs. FEINSTEIN (for herself, Mr. LIEBERMAN, Mr. THURMOND, Mr. HOLLINGS, and Mrs. BOXER):

S. 1056. A bill to require that defense reinvestment and economic growth funds be allocated among communities on the basis of the relative levels of reductions in employment experienced in such communities as a result of reduced spending for national defense functions; to the Committee on Governmental Affairs.

DEFENSE

Mrs. FEINSTEIN. Mr. President, I rise today to introduce legislation to target defense conversion funds to areas of greatest need. I am joined in this effort by Senators LIEBERMAN, THURMOND, HOLLINGS, and my own colleague and friend from California, Senator BOXER.

Mr. President, I am very concerned. I applaud the President for his presentation of a program of defense conversion totaling about \$20 billion. But, Mr. President, in real life, all of this money can go to areas of this Nation that do not have the need that is precipitated and developed by the enormous downsizing of defense and by base closures.

I believe that this Senate ought to take that into consideration because the purpose of defense conversion money is to be able to transition employees who lose their jobs from defense industry into peacetime commercial industry and to target dollars to

enable defense-related companies to transition into peaceful commercial types of technological manufacturing.

I agree with that. Why shouldn't the United States of America lead the world in the manufacture of the hardware and software connected with transportation? Why shouldn't we make the magnetic levitation vehicles, the bullet trains, and the hybrid cars of the future? Indeed, I think we should.

Mr. President, under the present circumstances, thought, there is no guarantee that these funds are going to be able to aid people who are moving out of defense and want to go into peaceful commercial manufacturing, both in defense downsizing as well as in base closures.

Mr. President, I want to speak just for a moment to a little bit of each. With respect to base closures, as soon as a base is scheduled for closure, businesses put up the for sale signs, the real estate prices drop, and the banks stop lending. This uncertainty dampens confidence necessary to move this economy out of recession into economic productivity.

Let me give you an example in California. In Alameda County in northern California, the Alameda Naval Air Station is the largest single employer in the country. The average worker is in his or her early forties, has worked there for more than a decade, with an average salary of \$38,000 a year. More than half are minorities, they generally tend to be married, they own their own homes, and they have children in schools.

The closure of this base without substitute employment condemns these workers to either lower wages or long unemployment lines.

Alameda Naval Air Station is just 1 of 12 bases in California considered for closure. This is on top of the 17 bases already slated for closure or closed. So it is a lose-lose situation.

If Alameda Naval Air Station closes, it is estimated that the school district alone loses 20 percent of its enrollment—20 percent.

Base closures are not just bad for those who leave. They are bad for those who stay. Property values decline, communities are disrupted, lives are shattered.

The defense conversion program can help remedy that, stabilize the community, help workers, and reduce the pain.

Defense downsizing. In Santa Ana, CA, more than 70,000 jobs have been lost in the last 5 years just due to defense downsizing. Of the 10,000 small businesses, in Santa Ana, 75 percent are involved in the aerospace industry. This is truly a defense-dependent community. The businesses are trying to convert to peacetime uses, but it is not easy. Conversion funds to help businesses move into commercial and dual use product lines would provide enor-

mous opportunities. They would not only benefit Santa Ana and Alameda, but California and the Nation as whole.

Let me share a story with you. A former campaign staff member and her family have been devastated by the impact of defense downsizing in southern California. Her stepfather and mother built a home together in the San Fernando Valley where they had expected to retire. He has been a machinist for the same defense contractor for 18 years. As a consequence of defense downsizing, he sees people all around him losing their jobs, and his hours have been cut dramatically. They could not afford to live in their house. They have had to sell it. They have moved to an outlying area. Today, he commutes 3 hours to work and back for a part-time job because it is better than no job at all.

The mother has developed cancer. Now her stepfather must worry about keeping his health insurance as well as his job. So this has been an emotionally wrenching time. And this family is not alone. It is happening all across this Nation. It is one of the true life stories in America about the end of the cold war.

Mr. President, for this program of defense conversion to be effective, I believe the funds must be targeted.

If a child cuts her knee, you would not place a bandage on her elbow. The same is true for defense conversion. Target it effectively, and the funds can bring hope, jobs, and transition where they are needed.

More than 250,000 jobs have been lost in my State alone due to defense downsizing in the past 2 years. This is one-half of all of the jobs that the President's stimulus program would have provided to the entire Nation.

By 1998, the job loss in California is expected to reach 650,000 from defense downsizing and base closures. California is not the only State to suffer. The State of the Presiding Officer, Florida, and Connecticut, Massachusetts, South Carolina, Texas, and many, many others, are undergoing this difficult adjustment.

The legislation I am introducing today, along with the Senators I have named, would require defense conversion funds to be allocated fairly and efficiently. This legislation would require the Cabinet secretary or agency head responsible for implementing the President's various defense conversion programs to develop and apply a formula to allocate defense conversion funds, based on the employment impact of defense downsizing or base closures and realignments.

I am very pleased to have these Senators join in this legislation. I am hopeful that there will be others as well.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

Again, I thank the Senator from Oklahoma and the Senator from Minnesota for yielding.

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

S. 1056

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

SECTION 1. ALLOCATION OF DEFENSE CONVERSION FUNDS ON THE BASIS OF JOB LOSSES.

(a) **ALLOCATION REQUIREMENT.**—(1) Notwithstanding any other provision of law, funds available for providing assistance under a program referred to in subsection (b) to or in communities adversely affected by conditions described in paragraph (2) shall be allocated among such communities on the basis of the relative levels of reductions in employment experienced in such communities as a result of such conditions. On that basis, communities experiencing higher levels of such reductions in employment than are experienced by other communities shall be allocated a commensurately higher level of funding than is allocated to such other communities.

(2) The conditions referred to in paragraph (1) are as follows:

(A) A significant reduction in Federal spending levels for national defense functions.

(B) A significant reduction in the size of the Armed Forces of the United States.

(C) A base closure or realignment by the Department of Defense.

(b) **PROGRAMS COVERED.**—This section applies to each Federal program providing any of the following assistance:

(1) Job training assistance or other employment adjustment assistance.

(2) Economic planning, development, or conversion assistance.

(3) Assistance for developing and applying new technologies for nondefense commercial purposes.

(c) **ALLOCATION RESPONSIBILITIES.**—The head of the department or agency of the Federal Government responsible for the administration of a program described in subsection (b) shall develop for, and apply in, the administration of such program an allocation formula that meets the requirements of this section.

By Mr. JEFFORDS:

S. 1057. A bill to provide for the establishment of a nationwide, universal access health coverage program, and for other purposes; to the Committee on Finance.

THE MEDICORE HEALTH ACT

Mr. JEFFORDS. Mr. President, today the administration and Congress are moving toward a reform of the American system of health care that is likely to be as sweeping and historic as the Social Security revolution of the 1930's. The deliberations and planning are producing the seeds of vast change. I know we all hope that in the near future, every citizen of this country will be guaranteed access to some basic package of health care benefits. It is an idea whose time has come and, as Franklin Delano Roosevelt put it some 60 years ago, "The country needs and, unless I mistake its temper, the country de-

mands bold, persistent experimentation."

Around us we see the symptoms of a health care system greatly in need of reform. Rapidly, care is becoming unaffordable for the Nation and an increasing number of its citizens. While we have the finest technology in the world, we have some of the industrialized world's worst health care indicators.

Nationally, we spend almost \$2,600 a year per capita on health care. As this chart indicates, we spend 1.5 times more than Canada, 1.7 times more than West Germany, and 2.6 times more than Britain. The impact of this spending on the Federal deficit is ever increasing. This year we are expected to spend \$912 billion in health care, about \$310 billion of which is Federal money. CBO projections indicate that if we keep today's health care system in place, by the year 2000 Federal expenditures will be about \$600 billion. The longer we take to rein in the costs of health care, the greater an effect it will have on the deficit. And, the costs to small business, which today bear the brunt of increasing health care expenses, are large enough that they pose a threat to their well-being and even their very existence.

The time for change is upon us. Daily I receive calls and letters from constituents asking me for help; I see the toll it takes on families as they struggle to keep ahead of the mounting costs. Certainly today these demands for change have not been lost on Congress. Virtually every Member of the House and the Senate has ideas about how to solve this national crisis. The administration's task force, under the leadership of Mrs. Clinton, is moving toward its own comprehensive plan for reform.

Standing here today I look for consensus in the goals and premises which shape our efforts and characterize our proposals. In an effort to bring forth a bill which will satisfy the many conflicting policy and political demands, I have worked hard for the past 3 years in the development of a bill which can help us reach that consensus. I am reintroducing a bill very similar to the one I introduced last year.

The MediCORE proposal which I present to this body demonstrates that these goals can be met within the established hopes, expectations and guidelines of the day. It is valuable, I believe, to look at the processes which have guided all our work and which have led to my proposal, and I hope that seeing this will help members and the public better understand the complexities of finding a consensus—and therefore a solution—to today's health care problems, while showing that it is not impossible, philosophically, practically, or politically.

Through my conversations with the many people who have involved them-

selves in this issue, some of the common and major goals have become clear. The country needs a health care system that provides cost-effective, efficient, quality health care to all Americans, with a special emphasis on preventive care and an equitable burden for all citizens.

To achieve these goals, my plan—like those of Senator CHAFEE and the White House—follows these basic guidelines:

First, it has an independent Federal board that designs a basic care package to be offered to all citizens—families, individuals, the elderly, and the poor;

Second, preventive and primary care are emphasized; and

Third, it takes into account the economic effects of the program—especially on tax equity, small business, the deficit, and U.S. international competitiveness.

In addition, in my own proposal, I have paid special attention to the following three factors: State flexibility, financing, and effective cost-control. The solutions that my bill proposes respond to some of the tougher questions that have become both economic and political sticking points in this issue. Not only does it provide realistic answers, but it offers a viable option for all parties: It works well to combine the most important aspects of different reform models and also to provide affordable, quality health care to all Americans.

Throughout the development of this bill, I have kept the views of many sides in mind—both liberals and conservatives. To simplify: Liberals want universal access at any cost, and conservatives lean toward independent management, trying to keep it out of the Federal bureaucracy. MediCORE has evolved from the premises of managed competition, where consumers can join together in purchasing co-operatives to take advantage of group buying power and economies of scale so that they can spread risk and keep insurance costs low.

However, in our planning, one of the things we quickly realized was that not every State could take advantage of managed competition. MediCORE authorizes an independent Federal board to oversee the country's system, but leaves to the States the decision on how to design their delivery systems.

I think we should keep the administration at the local level because I believe that the closer the manager is to the providers and consumers, the more involved each will be and the more efficient will be the control over costs. State managers will have a much better idea of what is happening to the people who are most closely affected. In fact, one of the unique features of MediCORE is that while it encourages managed competition plans, it allows state choice.

I feel it is imperative that States have this flexibility to design whatever

system meets their geographic and demographic needs. Under MediCORE, each State would be free to come up with the method that best meets its needs, we can be assured that both urban and rural areas will be able to work within the kind of system that is best for them, which is a primary concern in our efforts to simplify and unify the country's health care system. While California may well choose a managed competition system, it might be better for Vermont to work within the boundaries of a single payer program.

We recognize that there are political difficulties in changing the present health care system, which is one of the reasons it has taken so long to enact change—a change that will only help the country and its people. We are used to, and many of us are comfortable with, the current employer-based health care system, which results in tax-free income for employees. Yet the high cost of health care has driven many of the small businesses in our economy up against a wall. Faced with rapidly increasing insurance costs and employees in need, for many it has become too costly to insure employees, and so they must make a difficult choice: No insurance for their employees or go out of business.

Politically, one of the most difficult parts of designing a new health care system is financing it; how you pay for it. I laid it out for my constituents in my proposal last Congress and the response has been surprisingly positive. People don't mind paying for health care in a rational, above-board fashion. But only recently has the national debate started to wrestle with this issue.

The reason is that if we move to a progressive system for financing, most people will pay less. The reasons are simple. Cost shifting adds a tremendous premium to health care costs. By eliminating cost shifting, and broadening the funding base, we can provide for comprehensive health care at a lower cost for most Americans.

It is for this reason that I think we should cast a wide net in our health care reform efforts. My proposal seeks to fold the Medicaid and Medicare programs into MediCORE. The result will be better care at lower cost. This is obviously true for the Medicaid Program, but also true for Medicare, given the size of the out-of-pocket costs for senior citizens.

Obviously, the money must come from somewhere. What I propose is that the Federal Government essentially assume the costs of private insurance today, and transmit those revenues to the State MediCORE programs. It would do this through a 6-percent premium on adjusted gross income, or AGI. Most people would satisfy this AGI premium through their payroll. The bill would set up a 6-percent payroll premium which would be

credited against the AGI liability. Of the payroll premium, 4 percent would be paid by the employer, 2 percent by the employee.

Basing health care coverage on income is much more fair for employees than essentially levying a head tax on employment. Moreover, it is a fair way to help businesses cope with the astronomical health care costs.

As you can see in this chart, it saves a great deal of money for small businesses. MediCORE aims to remove the responsibility for health care from the employment sector. Using the Department of Labor and Commerce estimates, MediCORE could save companies with fewer than 20 employees \$41,000; those with 20-90 employees up to \$132,000; and for those with 100-500 employees approximately \$634,000. I can't think of a company that would not enjoy that kind of savings.

And as we all know, many employees already pay for their health benefits. To control business costs, many companies have been increasing employee cost-sharing through rising deductibles and higher premiums. Overall, the 2-percent tax will save money for most employees. While the businesses save money, too, I hope that these extra savings could be put toward employee pensions to insuring for a more secure retirement.

I would also like to stress that in my plan, the Federal Government would collect all the money and redistribute it to the States, readjusting the funds based on a per capita amount. In no event would a State get back less than what it puts in through AGI and payroll premiums.

A 6-percent premium may not seem like a lot to pay for good health care for the entire country. But the administration agrees that not much more money than that needs to be added to cover the total expenses of universal care. It is also clear that we must eliminate the cost shifting that occurs presently in the system, to allow the costs of health care provision to be more equitable to all. Cost-shifting within Federal programs has led to chronic underfunding which, in turn, has contributed to the sharply escalating premiums we all face.

By guaranteeing that every person is insured, we can guarantee that every person's care is being paid for by prearranged groups, which is in turn being paid for out of employer and employee wages. No longer will costs of the uninsured be shifted onto others; the costs for services will be more equitable for all and each individual will have a stake in the system.

A global budget is one of the reasons that cost-control is so important in MediCORE. The bill concentrates especially on finding a way to level off national health care spending. The \$912 billion we are expected to finance health care for all Americans. We must

live within current health care expenditures. States using market force principles are more likely to accomplish this task than the Federal Government. However, the Federal Government must remain an active participant in health care reform.

One of the distinguishing factors of my MediCORE proposal is that a strict cap on health care spending is coupled with a national board empowered to enforce the limits of the global budget through changes in a national benefits package. This is important because of its impact on the Federal budget. Already \$1 out of every \$7 spent by the Government is spent on health care. Without strict cost containment, this number will only continue to increase.

MediCORE begins with the establishment of this global budget because it makes sure we are not just putting a Band-Aid on a broken limb, especially at the Federal level where the increasing costs in health care are at least one-half of our deficit problem and will contribute to more problems in the future. MediCORE establishes the goal of freezing health care expenditures at the 1993 level of \$912 billion, in real dollars plus revenue growth. This chart shows that analysis based on figures from HCFA and CBO indicate that we will be able to maintain spending at current levels and by the middle of the next decade save over \$1.52 trillion by limiting the growth of health care spending to the growth in our economy.

Along these lines, the MediCORE plan encourages States to initiate malpractice reform to cut down on the costs of defensive medicine. Because MediCORE makes preventive care available to all, people are healthier and spend less money on care in the long run. It would set up information centers that would collect data about cost, procedures, and outcomes to help administrators streamline their systems and make them more cost- and quality-effective. And, overhauling the system to make a level playing field for consumers will force insurers to become more competitive by reducing the waste inherent in fraud, double-billing, and excess utilization.

There is little, if any, disagreement on the need for fundamental reform of our health care system to provide comprehensive coverage to all. We are challenged to create a system which looks out for all individuals and provides them with good care. This change will not be painless, nor will it be without cost. But Americans have earned the right to health care—a right consistent with the promises of an equality sounded by the founding fathers.

The time to act is now. We need to move into the 21st century on firm, healthy footing. As Americans, we need and demand bold steps to take us there.

I also commend the Clinton administration. We have been working with

them in cooperation to try and design a program, and I am pleased that they are taking and looking seriously at the MediCORE plan and already have adopted many of its provisions. We are hoping that when we get to the even more difficult tasks they will continue and we will continue to work with them to try to work towards a consensus package.

ADDITIONAL COSPONSORS

S. 176

At the request of Mr. DORGAN, his name was added as a cosponsor of S. 176, a bill to amend title XVIII of the Social Security Act with respect to essential access community hospitals, the rural transition grant program, regional referral centers, medicare-dependent small rural hospitals, interpretation of electrocardiograms, payment for new physicians and practitioners, prohibitions on carrier forum shopping, treatment of nebulizers and aspirators, and rural hospital demonstrations.

S. 257

At the request of Mr. BUMPERS, the names of the Senator from Massachusetts [Mr. KERRY] and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 257, a bill to modify the requirements applicable to locatable minerals on public domain lands, consistent with the principles of self-initiation of mining claims, and for other purposes.

S. 473

At the request of Mr. JOHNSTON, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of S. 473, a bill to promote the industrial competitiveness and economic growth of the United States by strengthening the linkages between the laboratories of the Department of Energy and the private sector and by supporting the development and application of technologies critical to the economic, scientific and technological competitiveness of the United States, and for other purposes.

S. 676

At the request of Mr. WOFFORD, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Arkansas [Mr. PRYOR], and the Senator from Hawaii [Mr. INOUE] were added as cosponsors of S. 676, a bill to amend certain education laws to provide for service-learning and to strengthen the skills of teachers and improve instruction in service-learning, and for other purposes.

S. 726

At the request of Mr. DASCHLE, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 726, a bill to amend the Social Security Act to create a new program to update and maintain the infrastructure requirements of our Nation's essential

urban and rural safety net health care facilities, and for other purposes.

S. 775

At the request of Mr. WALLOP, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 775, a bill to modify the requirements applicable to locatable minerals on public lands, consistent with the principles of self-initiation of mining claims, and for other purposes.

S. 833

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 833, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for nurse practitioners, clinical nurse specialists, and certified nurse midwives, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 834

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 834, a bill to amend title XVIII of the Social Security Act to provide for increased medicare reimbursement for physician assistants, to increase the delivery of health services in health professional shortage areas, and for other purposes.

S. 1021

At the request of Mr. INOUE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1021, a bill to assure religious freedom to Native Americans.

SENATE JOINT RESOLUTION 88

At the request of Mr. DECONCINI, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from North Carolina [Mr. HELMS], the Senator from North Dakota [Mr. CONRAD], and the Senator from Pennsylvania [Mr. WOFFORD] were added as cosponsors of Senate Joint Resolution 88, a joint resolution to designate July 1, 1993, as "National NYSP Day".

SENATE JOINT RESOLUTION 94

At the request of Mr. DOLE, the names of the Senator from New York [Mr. D'AMATO], the Senator from Hawaii [Mr. INOUE], the Senator from Tennessee [Mr. MATHEWS], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 94, a joint resolution to designate the week of October 3, 1993, through October 9, 1993, as "National Customer Service Week".

SENATE JOINT RESOLUTION 95

At the request of Mr. PELL, the names of the Senator from Alabama [Mr. SHELBY] and the Senator from Minnesota [Mr. WELLSTONE] were added as cosponsors of Senate Joint Resolution 95, a joint resolution to designate October 1993 as "National Breast Cancer Awareness Month".

SENATE CONCURRENT RESOLUTION 16

At the request of Mr. SHELBY, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of Senate Concurrent Resolution 16, a concurrent resolution expressing the sense of Congress that equitable mental health care benefits must be included in any health care reform legislation passed by Congress.

SENATE RESOLUTION 92

At the request of Mr. ROBB, the name of the Senator from Tennessee [Mr. MATHEWS] was added as a cosponsor of Senate Resolution 92, a resolution condemning the proposed withdrawal of North Korea from the Treaty on the Non-Proliferation of Nuclear Weapons, and for other purposes.

At the request of Mr. WOFFORD, his name was added as a cosponsor of Senate Resolution 92, supra.

SENATE RESOLUTION 113

At the request of Mr. MITCHELL, his name was added as a cosponsor of Senate Resolution 113, A resolution condemning the extraconstitutional and antidemocratic actions of President Serrano of Guatemala.

AMENDMENTS SUBMITTED

CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

KERRY (AND OTHERS) AMENDMENT NO. 381

Mr. KERRY (for himself, Mr. BIDEN, Mr. BRADLEY, Mr. SIMON, Mr. WELLSTONE, Mr. FEINGOLD, and Mrs. BOXER) proposed an amendment to amendment No. 366 (in the nature of a substitute) to the bill (S. 3) entitled the "Congressional Spending Limit and Election Reform Act of 1993," as follows:

On page 17, strike line 22 and all that follows through page 37, line 5, and insert the following:

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), the amounts determined under this subsection are—

"(A) the public financing amount;

"(B) the independent expenditure amount; and

"(C) in the case of an eligible Senate candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 502(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the public financing amount is—

"(A) in the case of an eligible candidate who is a major party candidate and who has met the threshold requirement of section 501(e) during the general election period, an amount equal to the general election expenditure limit applicable to the candidate under section 502(b) (without regard to paragraph (4) thereof) reduced by the amount of voter communication vouchers issued to the eligi-

ble candidate and the amount of the threshold requirement of section 501(e); and

"(B) in the case of an eligible candidate who is not a major party candidate and who has met the threshold requirement of section 501(e) during the general election period, an amount equal to the amount of contributions received during that period in excess of the threshold requirement under section 501(e) in the aggregate amount of \$250 or less, up to 50 percent of the general election spending limit under section 502(b).

"(3) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible Senate candidate which are required to be reported by such persons under section 304(c) with respect to the general election period and are certified by the Commission under section 304(c).

"(4) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(C) is not greater than 133½ percent of the general election expenditure limit under section 502(b), an amount equal to one-third of such limit applicable to the eligible Senate candidate for the election; plus

"(ii) if such excess equals or exceeds 133½ percent but is less than 166⅔ percent of such limit, an amount equal to one-third of such limit; plus

"(iii) if such excess equals or exceeds 166⅔ percent of such limit, an amount equal to one-third of such limit.

"(B) In the case of an eligible Senate candidate who is not a major party candidate, an amount equal to the amount of contributions received during that period from individuals residing in the candidate's State in the aggregate amount of \$250 or less, up to 50 percent of the general election spending limit under section 502(b).

"(c) **VOTER COMMUNICATION VOUCHERS.**—(1) The aggregate amount of voter communication vouchers issued to an eligible Senate candidate during a general election period shall be equal to 50 percent of the general election expenditure limit under section 502(b) (25 percent of such limit if such candidate is not a major party candidate).

"(2) Voter communication vouchers shall be used by an eligible Senate candidate—

"(A) to purchase broadcast time during the general election period in the same manner as other broadcast time may be purchased by the candidate, except that any broadcast so purchased must be at least 60 seconds in length;

"(B) to purchase print advertisements during the general election period; or

"(C) to pay for postage expenses incurred during the general election period.

"(d) **WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.**—(1)(A) An eligible Senate candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (3) and (4) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 502(b).

"(B) In the case of an eligible Senate candidate who is not a major party candidate, the general election expenditure limit under section 502(b) with respect to such candidate

shall be increased by the amount (if any) by which the excess described in subsection (b)(1) exceeds the amount determined under subsection (b)(2)(B) with respect to such candidate.

"(2)(A) An eligible Senate candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 501(c)(1)(D) or subsection (a) or (b) of section 502 if any one of the eligible Senate candidate's opponents who is not an eligible Senate candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 200 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(B) The amount of the expenditures which may be made by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(3)(A) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 501(c)(1)(D) if—

"(i) a major party candidate in the same general election is not an eligible Senate candidate; or

"(ii) any other candidate in the same general election who is not an eligible Senate candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 502(b).

"(B) The amount of contributions which may be received by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(e) **USE OF PAYMENTS.**—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(j), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"SEC. 504. CERTIFICATION BY COMMISSION.

"(a) **IN GENERAL.**—(1) The Commission shall certify to any candidate meeting the requirements of section 501 that such candidate is an eligible Senate candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible Senate candidate files a request with the Secretary of the Senate to receive benefits under section 503, the Commission shall issue a certification stating whether such candidate is eligible for payments under this title from the Senate Election Campaign Fund or to receive voter communication vouchers and the amount of such payments

or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) **DETERMINATIONS BY COMMISSION.**—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 505 and judicial review under section 506.

"SEC. 505. EXAMINATION AND AUDITS; REPAYMENTS; CIVIL PENALTIES.

"(a) **EXAMINATION AND AUDITS.**—(1) The Commission shall conduct an examination and audit of the candidates' campaign accounts in 10 percent of the elections to seats in the Senate in each general election, and of the candidates' campaign accounts in each special election to a seat in the Senate, to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection. If the Commission selects a general election to a Senate seat for examination and audit, the Commission shall examine and audit the campaign activities of all candidates in that general election whose expenditures were equal to or greater than 30 percent of the general election expenditure limit under section 502(b) for that election.

"(2) The Commission may conduct an examination and audit of the campaign accounts of any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) **EXCESS PAYMENTS; REVOCATION OF STATUS.**—(1) If the Commission determines that payments or vouchers were made to an eligible Senate candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a)(1), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title.

"(c) **MISUSE OF BENEFITS.**—If the Commission determines that any amount of any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay the amount of such benefit.

"(d) **EXCESS EXPENDITURES.**—If the Commission determines that any eligible Senate candidate who has received benefits under this title has made expenditures which in the aggregate exceed—

"(1) the primary or runoff expenditure limit under section 501(d); or

"(2) the general election expenditure limit under section 502(b).

the Commission shall so notify such candidate and such candidate shall pay an amount equal to the amount of the excess expenditures.

"(e) CIVIL PENALTIES.—(1) If the Commission determines that a candidate has committed a violation described in subsection (c), the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

"(2)(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 2.5 percent or less shall pay an amount equal to the amount of the excess expenditures.

"(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by more than 2.5 percent and less than 5 percent shall pay an amount equal to three times the amount of the excess expenditures.

"(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 5 percent or more shall pay an amount equal to the sum of—

"(i) three times the amount of the excess expenditures plus an additional amount determined by the Commission, plus

"(ii) if the Commission determines such excess expenditures were willful, an amount equal to the benefits the candidate received under this title.

"(f) UNEXPENDED FUNDS.—Any amount received by an eligible Senate candidate under this title and not expended on or before the date of the general election shall be repaid within 30 days of the election, except that a reasonable amount may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid.

"(g) PAYMENTS RETURNED TO SOURCE.—Any payment, repayment, or civil penalty required by this section shall be paid to the entity from which benefits under this title were paid to the eligible Senate candidate.

"(h) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"SEC. 506. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 507. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 506 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to any entity from which benefits under this title were paid.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 508. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible Senate candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 504 as benefits available to each eligible Senate candidate;

"(3) the amount of repayments, if any, required under section 505 and the reasons for each repayment required; and

"(4) the balance in the Senate Election Campaign Fund (and any account thereof).

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe (in accordance with the provisions of subsection (c)) such rules and regulations, to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Thirty days before prescribing any rule or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"SEC. 509. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE SENATE CANDIDATES.

"No eligible Senate candidate may receive amounts under section 503(a)(3) or vouchers under section 503(a)(4) unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.

"SEC. 510. SENATE ELECTION CAMPAIGN FUND.

"(a) ESTABLISHMENT OF CAMPAIGN FUND.—(1) There is hereby established on the books of the Treasury of the United States a special fund to be known as the Senate Election Campaign Fund (hereafter in this section referred to as 'the Fund').

"(2) There are hereby appropriated to the Fund the following amounts:

"(A) Amounts received in the Treasury which are equivalent to the increase in Federal revenues by reason of the disallowance of deductions for lobbying expenditures, but only to the extent that: "(i) such amounts do not exceed the amount certified by the Commission as necessary to carry out the purposes of this title; and "(ii) such amounts do not exceed the amount designated by taxpayers on a Federal election campaign checkoff.

"(B) Amounts transferred to the Fund under any provision of this Act.

"(C) Amounts credited to the Fund under paragraph (3).

"(3) The Secretary of the Treasury shall transfer amounts to, and manage, the Fund in the manner provided under subchapter B of chapter 98 of the Internal Revenue Code of 1986.

"(4) Amounts in the Fund shall, subject to the availability of appropriations, be available only for the purposes of—

"(A) providing benefits under this title; and

"(B) making expenditures in connection with the administration of the Fund.

"(5) The Secretary shall maintain such accounts in the Fund as may be required by this title or which the Secretary determines to be necessary to carry out the provisions of this title.

"(b) PAYMENTS UPON CERTIFICATION.—Upon receipt of a certification from the Commission under section 504, except as provided in subsection (d), the Secretary shall, subject to the availability of appropriations, promptly pay the amount certified by the Commission to the candidate out of the Fund.

"(c) VOUCHERS.—Upon receipt of a certification from the Commission under section 504, except as provided in subsection (d), the Secretary of the Treasury shall, subject to the availability of appropriations, issue to an eligible candidate the amount of voter communication vouchers specified in such certification.

"(d) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—(1) If, at the time of a certification by the Commission under section 504 for payment, or issuance of a voucher, to an eligible candidate, the Secretary determines that the monies in the Fund are not, or may not be, sufficient to satisfy the full entitlement of all eligible candidates, the Secretary shall withhold from the amount of such payment or voucher such amount as the Secretary determines to be necessary to assure that each eligible candidate will receive the same pro rata share of such candidate's full entitlement.

"(2) Amounts and vouchers withheld under paragraph (1) shall be paid when the Secretary determines that there are sufficient monies in the Fund to pay all, or a portion thereof, to all eligible candidates from whom amounts have been withheld, except that if only a portion is to be paid, it shall be paid in such manner that each eligible candidate receives an equal pro rata share of such portion.

"(3)(A) Not later than December 31 of any calendar year preceding a calendar year in which there is a regularly scheduled general

election, the Secretary, after consultation with the Commission, shall make an estimate of—

"(i) the amount of monies in the Fund which will be available to make payments required by this title in the succeeding calendar year; and

"(ii) the amount of expenditures which will be required under this title in such calendar year.

"(B) If the Secretary determines that there will be insufficient monies in the Fund to make the expenditures required by this title for any calendar year, the Secretary shall notify each candidate on January 1 of such calendar year (or, if later, the date on which an individual becomes a candidate) of the amount which the Secretary estimates will be the pro rata reduction in each eligible candidate's payments (including vouchers) under this subsection. Such notice shall be by registered mail.

"(C) The amount of the eligible candidate's contribution limit under section 501(c)(1)(D)(iii) shall be increased by the amount of the estimated pro rata reduction.

"(4) The Secretary shall notify the Commission and each eligible candidate by registered mail of any actual reduction in the amount of any payment by reason of this subsection. If the amount of the reduction exceeds the amount estimated under paragraph (3), the candidate's contribution limit under section 501(c)(1)(D)(iii) shall be increased by the amount of such excess."

(b) EFFECTIVE DATES.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1994.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1994, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1994, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1994, to pay for expenditures which were incurred (but unpaid) before such date.

(c) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If section 501, 502, or 503 of title V of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act shall be treated as invalid.

SEC. . (c) SENSE OF THE SENATE REGARDING PRESIDENTIAL CHECKOFF.—

It is the sense of the Senate that—

(1) the current Presidential checkoff should be increased to \$5.00 and its designation charged to the "Federal Election Campaign Checkoff and individuals should be permitted to contribute an additional \$5.00 to the fund in additional taxes if they so desire; and

(2) the Internal Revenue Service and the Federal Election Commission should be required to develop and implement a plan to publicize the fund and the checkoff to increase citizen participation.

CHAFEE (AND OTHERS) AMENDMENT NO. 382

Mr. CHAFEE (for himself, Mr. COHEN, Mr. JEFFORDS, Mr. MCCAIN, and Mr. DURENBERGER) proposed an amendment

to amendment No. 366 (in the nature of a substitute) to the bill, S. 3, supra, as follows:

At the appropriate place insert the following:

SEC. . OUT-OF-STATE FUNDRAISING.

Title III of FECA, as amended by section , is amended by adding at the end the following new section:

"OUT-OF-STATE FUNDRAISING

"SEC. . A person shall not solicit or accept a contribution from a person that is not a legal resident of the candidate's State of residence prior to the date that is 2 years prior to the date of a general election for a Congressional office in which the person seeks to become a candidate."

DOLE (AND OTHERS) AMENDMENT NO. 383

Mr. DOLE (for himself, Mr. BROWN, and Mr. LOTT) proposed an amendment to amendment No. 366 (in the nature of a substitute) to the bill, S. 3, supra, as follows:

It is the sense of the Senate that every employee in the executive or legislative branch of the Federal Government shall follow appropriate officially prescribed procedures in contacts and dealings with the Federal Bureau of Investigation and the Internal Revenue Service.

BINGAMAN (AND OTHERS) AMENDMENT NO. 384

Mr. BINGAMAN (for himself, Mr. HARKIN, Mr. FORD, Mr. KENNEDY, Mr. JEFFORDS, Mr. DOMENICI, Mr. LEAHY, Mr. KERRY, Mr. MITCHELL, and Mr. NUNN) proposed an amendment to amendment No. 366 (in the nature of a substitute) to the bill, S. 3, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . REGARDING THE EXTRACONSTITUTIONAL ACTIONS OF THE PRESIDENT OF GUATEMALA.

(a) FINDINGS.—The Congress finds that—

(1) Guatemala has had a democratically elected government since 1985;

(2) President Jorge Serrano and the members of the Guatemalan Congress were freely and fairly elected;

(3) on May 25, 1993, President Serrano seized near-dictatorial powers by partially suspending Guatemala's Constitution, dissolving Congress and the Supreme Court, and ruling by decree;

(4) these events are extraconstitutional and antidemocratic and require immediate international attention and action; and

(5) the Organization of American States agreed in Santiago, Chile, in 1991 to convene an emergency meeting of the Hemisphere's foreign ministers in the event of a coup d'etat in a member country in order to consider joint actions to bring about a return to democracy in that country.

(b) POLICY.—The Congress—

(1) condemns the extraconstitutional and anti-democratic actions of President Serrano of Guatemala and considers those actions a serious blow to democracy in Guatemala and a serious threat to democracy in the Hemisphere;

(2) calls on President Serrano to restore immediately the democratically elected Congress and the judiciary and to ensure full re-

spect for internationally recognized human rights;

(3) commends President Clinton for his rapid and decisive response to the situation in Guatemala, in particular his condemnation of President Serrano's actions and his suspension of disbursements of United States assistance;

(4) calls on the President to suspend the United States assistance program to Guatemala, and to seek to delay approval of any international loans for Guatemala, until constitutional government is restored to Guatemala; and

(5) commends the Organization of American States (OAS) for its plan to send a fact-finding mission headed by the Secretary General to Guatemala and for calling a meeting of the foreign ministers of the OAS member countries, to be held within 10 days.

GRAHAM AMENDMENTS NOS. 385- 386

Mr. GRAHAM proposed two amendments to amendment No. 366 (in the nature of a substitute) to the bill, S. 3, supra, as follows:

AMENDMENT NO. 385

At the end of title VII add the following:

SEC. . CAMPAIGN ADVERTISING THAT REFERS TO AN OPPONENT.

Title III of FECA, as amended by section , is amended by adding at the end the following new section:

"CAMPAIGN ADVERTISING THAT REFERS TO AN OPPONENT

"SEC. . (a) CANDIDATES.—A candidate or candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that directly or indirectly refers to an opponent or the opponents of the candidate in an election, with or without identifying any opponent in particular, shall file an exact copy of the communication with the Commission and with the Secretary of State of the candidate's State by no later than 12:00 p.m. on the day on which the communication is first placed in the mail to the general public.

"(b) PERSONS OTHER THAN CANDIDATES.—A person other than a candidate or candidate's authorized committee that places in the mail a campaign advertisement or any other communication to the general public that—

"(1) advocates the election of a particular candidate in an election; and

"(2) directly or indirectly refers to an opponent or the opponents of the candidate in the election, with or without identifying any opponent in particular,

shall file an exact copy of the communication with the Commission and with the Secretary of State of the candidate's State by no later than 12:00 p.m. on the day on which the communication is first placed in the mail to the general public."

AMENDMENT NO. 386

On page 8, line 2, strike "and".
On page 8, line 4, strike the period and insert "; and".

On page 8, between lines 4 and 5, insert the following:

"(F) the candidate agrees to participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other eligible Senate candidates for the seat sought by the candidate."

On page 28, between lines 9 and 10, insert the following:

"(f) FAILURE TO PARTICIPATE IN DEBATE.—If the Commission determines that an eligi-

ble Senate candidate failed to participate in a debate as agreed under section 501(c)(1)(F) and was responsible at least in part for the failure, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title."

On page 28, line 10, strike "(f)" and insert "(g)".

On page 28, line 20, strike "(g)" and insert "(h)".

On page 28, line 24, strike "(h)" and insert "(i)".

UNCLAIMED DEPOSITS AMENDMENTS ACT OF 1993

RIEGLE AMENDMENT NO. 387

Mr. MITCHELL (for Mr. RIEGLE, Mr. D'AMATO, and Mr. KERRY) proposed an amendment to the bill (H.R. 890) to amend the Federal Deposit Insurance Act to provide for extended periods of time for claims on insured deposits, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. AMENDMENTS RELATING TO TREATMENT OF UNCLAIMED DEPOSITS AT INSURED BANKS AND SAVINGS ASSOCIATIONS.

Subsection (e) of section 12 of the Federal Deposit Insurance Act (12 U.S.C. 1822(e)) is amended to read as follows:

"(e) DISPOSITION OF UNCLAIMED DEPOSITS.—

"(1) NOTICES.—

"(A) FIRST NOTICE.—Within 30 days after the initiation of the payment of insured deposits under section 11(f), the Corporation shall provide written notice to all insured depositors that they must claim their deposit from the Corporation, or if the deposit has been transferred to another institution, from the transferee institution.

"(B) SECOND NOTICE.—A second notice containing this information shall be mailed by the Corporation to all insured depositors who have not responded to the first notice, 15 months after the Corporation initiates such payment of insured depositors.

"(C) ADDRESS.—The notices shall be mailed to the last known address of the depositor appearing on the records of the insured depository institution in default.

"(2) TRANSFER TO APPROPRIATE STATE.—If an insured depositor fails to make a claim for his, her, or its insured or transferred deposit within 18 months after the Corporation initiates the payment of insured deposits under section 11(f)—

"(A) any transferee institution shall refund the deposit to the Corporation, and all rights of the depositor against the transferee institution shall be barred; and

"(B) with the exception of United States deposits, the Corporation shall deliver the deposit to the custody of the appropriate State as unclaimed property, unless the appropriate State declines to accept custody. Upon delivery to the appropriate State, all rights of the depositor against the Corporation with respect to the deposit shall be barred and the Corporation shall be deemed to have made payment to the depositor for purposes of section 11(g)(1).

"(3) REFUSAL OF APPROPRIATE STATE TO ACCEPT CUSTODY.—If the appropriate State declines to accept custody of the deposit tendered pursuant to paragraph (2)(B), the deposit shall not be delivered to any State, and the insured depositor shall claim the deposit

from the Corporation before the receivership is terminated, or all rights of the depositor with respect to such deposit shall be barred.

"(4) TREATMENT OF UNITED STATES DEPOSITS.—If the deposit is a United States deposit it shall be delivered to the Secretary of the Treasury for deposit in the general fund of the Treasury. Upon delivery to the Secretary of the Treasury, all rights of the depositor against the Corporation with respect to the deposit shall be barred and the Corporation shall be deemed to have made payment to the depositor for purposes of section 11(g)(1).

"(5) REVERSION.—If a depositor does not claim the deposit delivered to the custody of the appropriate State pursuant to paragraph (2)(B) within 10 years of the date of delivery, the deposit shall be immediately refunded to the Corporation and become its property. All rights of the depositor against the appropriate State with respect to such deposit shall be barred as of the date of the refund to the Corporation.

"(6) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'transferee institution' means the insured depository institution in which the Corporation has made available a transferred deposit pursuant to section 11(f)(1);

"(B) the term 'appropriate State' means the State to which notice was mailed under paragraph (1)(C), except that if the notice was not mailed to an address that is within a State it shall mean the State in which the depository institution in default has its main office; and

"(C) the term 'United States deposit' means an insured or transferred deposit for which the deposit records of the depository institution in default disclose that title to the deposit is held by the United States, any department, agency, or instrumentality of the Federal Government, or any officer or employee thereof in such person's official capacity."

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by section 1 of this Act shall only apply with respect to institutions for which the Corporation has initiated the payment of insured deposits under section 11(f) of the Federal Deposit Insurance Act after the date of enactment of this Act.

(b) SPECIAL RULE FOR RECEIVERSHIPS IN PROGRESS.—Section 12(e) of the Federal Deposit Insurance Act as in effect on the day before the date of enactment of this Act shall apply with respect to insured deposits in depository institutions for which the Corporation was first appointed receiver during the period between January 1, 1989 and the date of enactment of this Act, except that such section 12(e) shall not bar any claim made against the Corporation by an insured depositor for an insured or transferred deposit, so long as such claim is made prior to the termination of the receivership.

(c) INFORMATION TO STATES.—Within 120 days after the date of enactment of this Act, the Corporation shall provide, at the request of and for the sole use of any State, the name and last known address of any insured depositor (as shown on the records of the institution in default) eligible to make a claim against the Corporation solely due to the operation of subsection (b) of this section.

(d) DEFINITION.—For purposes of this section, the term "Corporation" means the Federal Deposit Insurance Corporation, the Resolution Trust Corporation, or the Federal Savings and Loan Insurance Corporation, as appropriate.

Amend the title so as to read: "An Act to amend the Federal Deposit Insurance Act to

improve the procedures for treating unclaimed insured deposits, and for other purposes."

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Senator 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, June 24, 1993, at 9:30 a.m., to receive testimony on S. 716, to require that all Federal lithographic printing be performed using ink made from vegetable oil.

Individuals and organizations who wish to submit a statement for the hearing record are requested to contact Bob Harris of the Rules Committee staff on 202-224-0285.

For further information regarding this hearing, please contact Mr. Harris.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 10, 1993, beginning at 2:30 p.m. in Room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills currently before the subcommittee. The bills are:

S. 294, to authorize the Secretary of the Interior to formulate a program for the research, interpretation, and preservation of various aspects of colonial New Mexico history, and for other purposes;

S. 310, to amend title V of public law 96-550, designating the Chaco Cultural Archeological Protection Sites, and for other purposes;

S. 313, to amend the San Juan Basin Wilderness Protection Act of 1984 to designate additional lands as wilderness and to establish the Fossil Forest Research Natural Area, and for other purposes;

S. 643 and H.R. 38, to establish the Jemez National Recreation Area in the State of New Mexico, and for other purposes;

S. 836, to amend the National Trails System Act to provide for a study of El Camino Real de Tierra Adentro, the Royal Road of the Interior Lands, and for other purposes.

S. 983, to amend the National Trails System Act to direct the Secretary of the Interior to study the El Camino Real Para Los Texas for potential addition to the National Trails System, and for other purposes.

H.R. 698, to protect Lechuguilla Cave and other resources and values in and adjacent to Carlsbad Caverns National Park; and.

H.R. 843, to withdraw certain lands located in the Coronado National Forest from the mining and mineral leasing laws of the United States, and for other purposes

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit a written statement is welcome to do so by sending two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at 202-224-7145.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 17, 1993, beginning at 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills currently pending before the subcommittee. The bills are:

S. 273, to remove certain restrictions from a parcel of land owned by the city of North Charleston, SC, in order to permit a land exchange, and for other purposes;

S. 472, to improve the administration and management of public lands, national forests, units of the National Park System, and related areas by improving the availability of adequate, appropriate, affordable, and cost effective housing for employees needed to effectively manage the public lands;

S. 742, to amend the National Parks and Recreation Act of 1978 to establish the Friends of Kaloko-Honokohau, an advisory commission for the Kaloko-Honokohau National Historical Park, and for other purposes;

S. 752, to modify the boundary of Hot Springs National Park, and for other purposes;

S. 851, to establish the Carl Garner Federal Lands Cleanup Day, and for other purposes;

S. 971, to increase the authorizations for the War in the Pacific National Historical Park, Guam, and the American Memorial Park, Saipan, and for other purposes; and

H.R. 236, to establish the Snake River Birds of Prey National Conservation Area in the State of Idaho, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, anyone wishing to submit a written statement is welcome to do so by sending two copies to the Subcommittee on Public

Lands, National Parks and Forests, Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact David Brooks of the subcommittee staff at 202-224-7145.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, May 27, 1993, beginning at 2 p.m., in 485 Russell Senate Office Building, on the President's budget request for Indian programs for fiscal year 1994 for the Indian Health Service and Indian Programs within the Environmental Protection Agency.

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

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY, TRADE, OCEANS AND ENVIRONMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy, Trade, Oceans and Environment of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 27 at 2 p.m. to continue hearings on the fiscal year 1994 foreign assistance authorization: policies and programs for economic development.

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

SUBCOMMITTEE ON AVIATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Aviation Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, May 27, 1993, at 9 a.m. on the FAA/NTSB regulatory policy.

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

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Science, Technology and Space Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet on May 27, 1993, at 10 a.m. on uses of advanced materials for civil infrastructure.

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

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Thursday, May 27, 1993, at 11 a.m.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Commit-

tee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 27, 1993, at 11:30 a.m. to hold a business meeting.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 27, 1993, at 10 a.m. to hold nomination hearings for ambassadorial appointments: Marilyn McAfee, to be Ambassador to Guatemala; William Pryce, to be Ambassador to Honduras; and James Cheek, to be Ambassador to Argentina.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, May 27, 1993, beginning at 10 a.m. to conduct a hearing on environmental issues associated with closing military bases.

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

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 Thursday, May 27, 1993, at 9:45 a.m. to mark up reconciliation; S. 422, the Government Securities Act Amendments; S. 50, the Jefferson Commemorative Coin Act; S. 183, the Red Skelton Gold Medal; S. 216, the World University Games Commemorative Coin Act. This markup will be immediately followed by a full committee hearing on S. 783, the Consumer Report Reform Act of 1993.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 9:30 a.m., May 27, 1993, to receive testimony on S. 991, the Lower Mississippi Delta Initiative of 1993.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, May 27, 1993, at 2:30 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON DEFENSE TECHNOLOGY,
ACQUISITION, AND INDUSTRIAL BASE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Defense Technology, Acquisition, and Industrial Base of the Senate Armed Services Committee be authorized to meet on Thursday, May 27, 1993, at 2:30 p.m. in open session to review the fiscal year 1994 Advanced Research Projects Agency [ARPA] program and the science and technology programs of the services associated with the Defense Authorization request for fiscal year 1994 and the future years defense program.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, May 27, 1993, beginning at 9:30 a.m., in 485 Russell Senate Office Building, on the Native American Grave Protection and Repatriation Act.

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

ADDITIONAL STATEMENTS

BLUMENTHAL ON BOSNIA

● Mr. BIDEN. Mr. President, the most recent edition of *New Yorker* magazine, dated May 31, carries an excellent analysis, written by Washington editor Sidney Blumenthal, of the problems that have plagued American policy in Bosnia.

I urge my colleagues and the administration to consider the author's conclusion:

Clinton's mandate is to be a domestic-policy President, but if he falters in foreign policy his Presidency will be fatally undermined. There are few things more dangerous to a President's and a nation's credibility than the suggestion of commitment without putting force behind it.

I ask that this important article appear in today's RECORD.

The article follows:

LONESOME HAWK

(By Sidney Blumenthal)

Bill Clinton's leadership in the first great foreign-policy crisis of his Presidency is a study in purpose without power. His moment of decision regarding Bosnia, if there was one, came on Saturday, May 8th, when Secretary of State Warren Christopher arrived at the White House to report to the President on his canvass of the European allies. After learning of their rejection of his initiative, known as "lift and strike"—lifting the arms embargo on the Bosnians and striking the Serbs with air power—the President found himself unarmed.

Clinton had understood the events from the beginning, but he treated their complexities as matters of ratiocination. He gave what he decided were the correct answers to the questions, like a straight-A student, rather than instructing others. His consultations verged on deference. His approach was

to grope for a safe path out of the darkness. He knew where his analysis led him, but he would not act on it. His position amounted to public speculation about what he would do, if he could. Grappling with contending visions of the past, he would not define history for his own use. He encountered a cacophony in Congress, which he decided not to quell. And he met with a sophisticated cynicism in Europe, which prevailed in the absence of decisive American leadership.

The debate over Bosnia is enveloped in layers of historical metaphor. For some, it is the Holocaust: never again, they say, should the Western conscience abandon a scorned minority in Europe to genocide. For others, the most resonant past is the period leading up to the Second World War, when America was riven by isolationists and interventionists. In either of these contexts, diplomacy without force takes on the appearance of appeasement. For still others, the reigning metaphor comes from a more recent war: Vietnam. In their view, intervention in any foreign land threatens to be a quagmire, and any use of force short of immediately overwhelming power that achieves total victory must be scrupulously avoided.

But the nation's political alignments, which rigidly held for a generation, magnetically polarized by Vietnam, have been released by the ending of the Cold War. The Bosnian conflict did not re-create them. On the contrary, hawks sprouted the plumage of doves and doves grew sharp talons. (The pre-eminent hawk on Bosnia in the Senate is Joseph Biden, Democrat of Delaware, a one-time sixties idealist; among the leading doves is John McCain, Republican of Arizona, who piloted a bomber and was taken prisoner by the North Vietnamese.) Bemedalled generals spent part of their days arguing that gays would destroy military discipline and another part resisting intervention like dedicated pacifists. And a President who had marched against the Vietnam War contemplated bombing in the Balkans.

In Serbia, historical metaphor has had an even more mesmerizing effect. Yugoslavia was an artificial state imposed on hostile religious and national groups: Croatian Catholics, Serbian Eastern Orthodox, and Bosnian Muslims. Many of the Muslims are more Westernized than their Serb counterparts, and there is no ethnic difference between the two groups. The Muslims are not Turks or Arabs but Europeans, whose ancestors became converts during the Ottoman Empire. Most are secular. Bosnia is like a city-state, centered on cosmopolitan Sarajevo, which was the only place in Yugoslavia where pluralist tolerance and civility truly prevailed.

When Slobodan Milosevic staged a coup in Belgrade, in 1987, he jettisoned the decrepit Communism he had loyally served for a resurgent nationalism. His rise, a symptom of disintegration, accelerated the process. First, Slovenia and Croatia seceded; then Macedonia, Serbia and Croatia were already at war. When that conflict faded, Milosevic's drive for Greater Serbia pushed into Bosnia. Bosnia had been formally organized as a multiethnic democracy precisely to escape Milosevic's tyranny. The Bosnian Serbs, however, envisioned themselves linked by a blood connection to Greater Serbia and pledged to rekindle the ancient battle against "the Turks," who were in reality their neighbors. In this holy war, the Bosnians suffered an immense disadvantage. The United Nations had imposed an arms embargo against Milosevic's Yugoslavia; yet, despite this, his Army was easily able to supply the Bosnian Serb rebels with weapons. But the

Bosnians, lacking a supplier, remained virtually defenseless. All Bosnian men have long been subjected to a year of military training, and their numbers exceeded those of the Bosnian Serb army. But the embargo, while ostensibly universal, was punitive only against those on the defensive: the Bosnians.

The war invaded the American consciousness in the summer of 1992, with reports of concentration camps and televised scenes of murdered babies. These disquieting images happened to fall into the middle of the Presidential campaign. President Bush adopted a policy of studied indifference. The last thing Bush's campaign strategists wanted was for their candidate to immerse himself in foreign turmoil where American stakes would have to be carefully and lucidly explained. On July 26th, Governor Bill Clinton sought to outflank Bush on foreign policy and dispel the suspicion that he was in the grip of an incapacitating Vietnam syndrome, which Republicans had charged for years was at the core of the Democrats' weakness. Air strikes against the Serbs, Clinton declared, were in order. His stand on Bosnia gave him a novel way to insulate himself against a burdensome political legacy. On October 11th, while he was being assailed as a Vietnam-era "draft dodger," Clinton said he would "consider" lifting the arms embargo on the Bosnians, "since they are in no way in a fair fight with a heavily armed opponent bent on 'ethnic cleansing.'" He added, "We can't get involved in the quagmire, but we must do what we can."

After Clinton's election, the Serbian leadership shrewdly maneuvered to undermine a policy they anticipated would be tougher. They agreed to discuss further the peace plan designed by former Secretary of State Cyrus Vance and former British Foreign Minister David Owen—Vance representing the United Nations, Owen the European Community. The Vance-Owen plan would divide Bosnia into ten virtually autonomous provinces, in which the contending parties would be isolated. The tenuous multiethnic Bosnian democracy would disappear; what would remain of the central government would have hardly any powers. So the Serbs were in Geneva to bicker over squiggles on the map. At the same time, they continued the offensive for Greater Serbia, since they believed that in the end the map would reflect the facts on the ground.

Clinton was horrified at the prospect of ratifying the carnage. Then he discovered that the Europeans resolutely opposed the suggestions he had made as a candidate: lifting the arms embargo an initiating air strikes. Thus the President embarked on a meandering journey. In his first statement on the subject as Chief Executive, on February 5th, he expressed his reluctance to embrace the Vance-Owen plan, on the ground that it "might work to the immediate and to the long-term further disadvantage of the Bosnian Muslims." A week later, Clinton worried that "the terrible principle of 'ethnic cleansing' will be validated; that one ethnic group can butcher another if they're strong enough." But the end of the month, stymied by the European resistance to new initiatives, he was encouraging the Bosnians to "engage in negotiations within the Vance-Owen framework." And on March 1st, frustrated by Serbian aggression, Clinton began a large-scale airdrop of food into beleaguered eastern Bosnia. When, on March 5th, Clinton remarked that the United States "cannot proceed here unilaterally," he was describing at once the necessary condition for action and the principal obstacle to it.

On March 24th, he said, "I am appalled by what has happened there; I am saddened; I am sickened." The next day, under United States pressure, the Bosnians signed the Vance-Owen plan, and Clinton promulgated a no-fly zone over Bosnia. About three weeks later, with the Bosnian town of Srebrenica about to fall to Serbian forces, and with bloody pictures again flooding the network news, Clinton was "outraged" that the Serbs had not signed Vance-Owen. He spoke of a larger danger. "If you look at the turmoil all through the Balkans, if you look at the other places where this could play itself out in other parts of the world, this is not just about Bosnia. On the other hand, there is reason to be humble when approaching anything dealing with the former Yugoslavia." But ten days after that, on April 26th, the President appeared determined to surmount obstacles, declaring, "It is now, I think, clear that the United States and our allies need to move forward with a stronger policy in Bosnia, and I will be announcing the course that I hope we can take in the next several days." Action seemed imminent.

"It's sort of a no-brainer," a senior Administration official remarked to me about how to reach the solution to the problem. Clinton's plan was now the same as the one he had suggested during the campaign: lift and strike. Clinton had gone through the intellectual process more intensively than he had during the hurried campaign. Once again he had cracked the conundrum that stumped others.

"I don't know of any peace settlements that didn't ratify what existed on the ground," the official said. "So much is at stake. We don't want to lose. We must have achievable goals. The advantages of lifting the embargo are that it's something we can do; it's a clear goal. And we can succeed in delivering the weapons." If the Croats skim off some of them, so be it: "Making the argument that this would increase violence allows the aggressor to continue 'ethnic cleansing' against an outgunned victim." This axiom of European diplomacy is "exquisite condescension," the official said. "There is the right of a recognized government to defend itself. The embargo was imposed before recognition of Bosnia." The Bosnian Serb army, moreover, is not a formidable force—not the fabled partisans of the Second World War but a motley assemblage of thugs, many of whom are usually drunk, and who have taken few casualties. Under the plan, air power would give the Bosnians time to get armed and would also give cover to allied troops, who could easily be armed with superior weaponry themselves. Much of the Serbian artillery could be knocked out. The Bosnian Serbs, even though buttressed by regular Army units, might wilt quickly. They are far below Iraqi standards. There would be no United States ground troops; the Bosnians would do the fighting. "But it's not going to be successful as Americans see success," the official warned. Good won't unconditionally triumph over evil, even if one side should be all good and the other all evil. But a new "balance of power" could be achieved, which would roll back the dream of Greater Serbia. It was this plan that Clinton subscribed to in early May.

First, Clinton turned to Congress. Senator Biden had just returned from a trip on which he had met with Milosevic and with Bosnian leaders, and on April 19th, as chairman of the Subcommittee on European Affairs of the Foreign Relations Committee, he had filed a report that was read closely, according to a top official, by the Secretary of

State and the President. "Every Bosnian I encountered, government official and common citizen alike, was convinced that they could succeed in defending their country if given the means and supported by airstrikes against Serb artillery," Biden wrote. "However well intentioned, the presence of U.N. relief personnel and peacekeeping forces, by inhibiting stronger Western action, now constitutes more an obstacle than a contribution to the humanitarian relief they were deployed to provide."

On April 27th, ten leaders from the House of Representatives and eight senators sat around a long table in the White House for three and a half hours. Clinton listed options, from doing nothing to sending in ground troops. "I want to see what you think," he said. According to a well-informed source, each of the eighteen was asked his opinion, in order of seniority. The House Speaker, Thomas Foley, said that whatever was done should receive the consent of Congress. The Senate Majority Leader, George Mitchell, agreed that now was the time for action. No, it was not the time, Lee Hamilton, the chairman of the House Foreign Affairs Committee, insisted. Perhaps action would be called for at a later date, he said, but now it would only inspire the Serbs to more violence. In any case, Milosevic seemed genuinely interested in making peace. Biden countered that Milosevic was a war criminal, who couldn't be trusted. He urged lifting the embargo and conducting air strikes—the Administration's desired course. Senator John Warner, Republican from Virginia and the constant sidekick of Sam Nunn, the chairman of the Senate Armed Services Committee, warned that air strikes would not work. Nothing less than invading with five hundred thousand troops would do, and it would still be a quagmire. Ronald Delums, the chairman of the House Armed Services Committee and a left-wing voice from Berkeley, spoke vaguely about defining goals and broader contexts, and then simply said, "Vietnam." Representative John P. ("The P" is for Power") Murtha, Democrat from Pennsylvania and a former marine, vehemently opposed action, time and again invoking Vietnam. But Senator Richard Lugar, who had been the chairman of the Foreign Relations Committee when the Republicans were in the majority, argued for force. If "lift and strike" did not produce the desired outcome, he said, then we would have to be prepared to send in troops; once begun, the operation could not be permitted to fail. Then Bob Dole made his contribution: he was for lifting the embargo, for air strikes, and, if that didn't work, for whatever force it took. While seeming to support Clinton, he was also laying down a political marker. Dole, after all, is not just Clinton's nemesis in Congress; he might well be the 1996 G.O.P. Presidential nominee. Those present were keenly aware of the subtext when Dole said to the President, "America's prestige could not tolerate it not working. It would cost you very dearly." Though Dole and Mitchell agreed that if the President requested it they would co-sponsor a joint resolution for force, the meeting ended without the consensus Clinton had hoped for.

A week later, Clinton met with Senator Dale Bumpers, his old friend from Arkansas, who had just returned from the former Yugoslavia. "The chances of getting a resolution through here right now are point-blank zero," Bumpers says he told the President. "The American people know nothing about Bosnia. In the ordinary American mind the Vietnam corollary is almost total." Indeed, a

CNN/"USA Today"/Gallup poll published on April 27th showed that sixty-two per cent of the American people were against any United States military action.

Clinton faced another obstacle in the chairman of the Joint Chiefs of Staff. Members of Congress who were briefed by Colin Powell were hardly galvanized; rather, they were given cause for discouragement. Repeatedly sent out to make Clinton's case, Powell repeatedly justified his opposition. When he tried to state the Administration's position, he was questioned about his own well-advertised dissent. "I haven't changed my views," he boldly told one group of House members. At a meeting of NATO's military committee, also on April 27th, Powell participated in a meeting that condemned any policy of further action. The committee chairman, Field Marshal Sir Richard Vincent, of Great Britain, reflecting his government's position, told a press conference in Brussels, "I am healthily skeptical." The chairman of the Joint Chiefs, a Vietnam veteran, in fact opposed intervention unless it followed his precept of "invincible force." Perhaps more than anyone else, the nation's most powerful general was stricken with the Vietnam syndrome. He had been against the buildup of Operation Desert Shield, precisely because he feared that it would not meet his criterion. Before Clinton was inaugurated, Powell volunteered to him that a Bosnian intervention short of five hundred thousand men would fail and that even such a force might not succeed. Clinton had no stomach for confronting Powell, who is the most popular black public official in the country, and whose term, in any case, expires in September. "We all understand what's going on. He's got the President mousetrapped," a Senate aide said. "Powell is being very coy, and he's full of political egotism. I can't remember when a President has been in such a situation." As it happens, Admiral Jeremy M. Boorda, who is in charge of the NATO forces in Southern Europe, does not share Powell's view of military capabilities and prospects, according to the Senate aide, who has spoken to Boorda at length on several occasions. But Boorda expresses his assessment only privately, to United States officials, following strict lines of authority, and declines to be interviewed. Powell's mystique shadows any military enterprise. One senior White House staffer has worried that if anything went wrong in a Bosnian intervention Powell might actually plot to use it politically to damage the President.

In early May, unable to forge a consensus at home, Clinton sent his Secretary of State abroad. Warren Christopher's own position had gyrated over the months, and his oscillations had contributed to a State Department revolt. In the beginning, on February 10th, Christopher had said that the Bosnian crisis "tests what wisdom we have gathered from this bloody century, and it measures our resolve to take early concerted action." Six weeks later, he cast the situation as a waking nightmare that could not be made to disappear. "It's almost terrifying, and it's centuries old," he said. "That really is a problem from hell. And I think that the United States is doing all we can to try to deal with that problem." When Margaret Thatcher called for decisive military intervention, Christopher dismissed her statement as "an emotional response to an emotional problem," as though it were a menstrual cramp. But the problem would not return to the netherworld from whence it came. In April, twelve State Department experts wrote Christopher a letter, which was leaked to the

"Times." "We are only attempting to end the genocide through political and economic pressures such as sanctions and intense diplomatic engagement," the letter read. "In effect, the result of this course has been Western capitulation to Serbian aggression."

The consistent hawks within the Administration councils were the director of the National Security Council, Anthony Lake; his deputy, Sandy Berger; and Vice-President Al Gore. As Clinton had moved in favor of force, so had Christopher. But when the President dispatched Christopher to feel out European opinion, which was already obvious, he did not empower him to compel adherence. (It is hard to imagine James Baker undertaking a mission without power.) On May 2nd, when Christopher arrived in London, his first stop, he was met with the news that the Bosnian Serb leader, Radovan Karadzic, had agreed to the Vance-Owen plan. Christopher, according to a State Department official, was skeptical about the Serbs' intent. But throughout Europe the signing was greeted with immense relief, as though the crisis were about to end in a flurry of diplomacy. None of the allies agreed with Clinton's options, nor were they particularly eager to discuss them. While Christopher travelled, Slobodan Milosevic addressed the self-styled Bosnian Serb parliament to argue that it should support Vance-Owen because doing so would codify a Greater Serbia victory. "One should not gamble away what one has already gained," he admonished. But the parliament decided to consign the plan to a referendum, thus dooming it to certain rejection. The fact of the referendum, however, provided grounds for more European temporizing. There could be no decisions, they told Christopher, until they knew the referendum's outcome; give Milosevic a chance.

So the Secretary reported to the President. Clinton listened to Christopher, as Christopher had listened to the Europeans. Christopher urged him to "stay the course," and so did Anthony Lake, according to someone privy to the discussion. The President did not recant on his stated desire to lift the embargo and order air strikes. But, facing ambivalence, confusion, and reluctance, here and abroad, he decided he would not go to war on all fronts. By professing a position that had become merely an academic opinion, the President sided with the forces of inertia. Already dressed in his golf clothes, he headed for the links.

On the day before Christopher returned, Haris Silajdzic, the Bosnian Foreign Minister, decided to tour the new Holocaust Museum in Washington. Silajdzic, a forty-eight-year-old former diplomatic historian, is operating alone out of a hotel on the edge of Georgetown. His wife and six-year-old son live shielded outside Bosnia; he has not seen them in two months. "Europeans think we are not proper Europeans, because we are Muslim, and the Muslims think we are not proper Muslims, because we are European," he says. "Bosnia it's so exotic."

He is escorted into the museum ahead of the morning crowd—a group consisting mostly of senior citizens and students, in a line that snakes around the building. Inside the dim, industrial environment, Silajdzic walks slowly from exhibit to exhibit, drawing comparisons. "People don't believe you. It couldn't be happening. But it's not over." He points to Bosnia on a map of Europe. "The virus is there," he says. "There are those who say we should not be reminded. It is better to walk through a museum than a concentration camp."

He stops to gaze at a poster promoting "Grosdeutschland, Ja!" and he notes the

parallel to Greater Serbia. Then he pauses at a display about Munich: "Our people have lived together for hundreds of years," he says. "These savages say we can't live together. These savages try to build walls. In Europe they seem to prefer tribal chiefs to democracy. Easy decisions can be taken by anyone. Europe is silent, a chain of Chamberlains. In fifty years they will condemn it."

Silajdzic sees all the awful pictures and artifacts of systematic death. But what arouses and upsets him most is a quotation he discovers in a section devoted to the negligent role of American policymakers. The words that rivet him were written by Assistant Secretary of War John McCloy, who became the epitome of the postwar establishment. It was McCloy who advised against sending Allied bombers to destroy Auschwitz. The bombing, McCloy wrote, "might provoke even more vindictive action by the Germans." Silajdzic repeats the line over and over. "So history does not repeat itself," he says, assuming the mantle of the historian he was in easier times. "But we repeat the same mistakes."

The diplomatic scurrying continues. In a ritual washing of hands, Christopher told the House Foreign Affairs Committee on May 18th that Bosnia was, after all, "a morass," and that ethnic cleansing bore no resemblance to genocide: "It's been easy to analogize this to the Holocaust, but I never heard of any genocide by the Jews against the German people."

The small crisis is over, but not the larger one. It seems implausible that without force the Vance-Owen plan in its pristine form can be put into effect: it would reduce the Serb share of Bosnia to forty-three per cent, but seventy per cent has already been grabbed. The logic of war always dominates the logic of diplomacy. Low-intensity warfare may go on, but the conquest, barring a radical intervention, belongs to Milosevic. He has won his Greater Serbia, leaving some enclaves in which the Muslims can huddle. While the West frets about containing Serbia, preventing its expansion into Macedonia and Kosovo, the next war may instead be the next round in the Serbs' continuing war with Croatia—settling borders by fighting over bits and pieces of Bosnia.

The ragged—Balkanized, in fact—nature of this episode masks its importance. Bosnia has not been just about Bosnia. If NATO had any mission after the Cold War, it was to maintain European stability; it has now been revealed to be without purpose. The Europeans, dealing through various international agencies, made gestures of coping, which naturally failed. Ultimately, what they wanted from the United States was partnership in blame. Without the United States to direct it, the Western alliance is little more than an armored vehicle bearing relief. Clinton's post-Bosnian foreign policy confronts the ruin of NATO.

The triumph of Milosevic may mark the true beginning of the post-Communist era. Just as the breakup of Yugoslavia foretold that of the Soviet Union and Czechoslovakia, so may the ascent of the Serbian strongman be a harbinger. Milosevic, not Havel, may be the New Man. A tradition more deeply rooted in the region than democracy may be stirring. If it comes alive, politics will be ruled by demagogic nationalist appeals and by fear and loathing of others. Democracy will be a façade. The Bosnian crisis has already illuminated the West's complacency about its incapacity to act. Authoritarian populism—Le Pen in France, the Republicans in Ger-

many, Perot in America—is on the rise. Such movements may not necessarily gain power, but they consume democratic politics with efforts to placate and contain them.

In the crisis, the role of master was played not by the American Secretary of State or by the President but by an authoritarian in Belgrade. Clinton sought support for a policy he was not prepared to fight for. His intentions were well meaning, but, finding himself amid political difficulties, he would not take the leap into the unknown. He wished for consensus in a situation that could work only by coercion. Clinton's mandate is to be a domestic-policy President, but if he falters in foreign policy his Presidency will be fatally undermined. There are few things more dangerous to a President's and a nation's credibility than the suggestion of commitment without putting force behind it. "By prestige I mean the shadow cast by power, which is of great deterrent importance," Dean Acheson, Truman's Secretary of State, wrote in his memoir, "Present at the Creation." Without power, of course, there is not even a shadow. ●

ANOTHER GOOD MOVE ON CONTRACTORS

● Mr. PRYOR. Mr. President, I rise today to again commend the administration for its leadership in addressing the Federal Government's long-standing problems with its private contractors. Soon after taking office, President Clinton took administrative action to modestly reduce spending on contractors and consultants. Then, OMB Director Leon Panetta, at my urging, mandated a Governmentwide review of the \$103 billion that is spent on service contracts.

Today, I want to commend the Secretary of Energy, Hazel O'Leary, for achieving \$1.5 billion in savings over the next 5 years by enacting a 1-year salary freeze for employees of DOE's management and operating contractors. It is my understanding that this is an unprecedented, and in my opinion, a long overdue action.

Mr. President, that may seem like a small step to my colleagues, but I can assure you that it is actually a giant step forward for the Federal Government. For over a decade I have examined and sought to reform the Government's use of consultants and contractors. Without much public debate, we have created a large, shadow government of contractors that form a private bureaucracy that mirrors our public one.

While there are numerous problems that arise when the Government contracts out much of its basic work, problems like potential conflicts of interest and the loss of internal capability, one issue that has always been of concern to me is the drastic difference between the treatment of the public and private work force at the agencies. While Federal employees are always subject to uncertainty over their pay increases, private contractors continue receiving their salaries at rates from 20 to 50 percent higher than Federal

workers. I have always wondered about the morale of the Federal employee working side by side with a highly paid private contractor.

Mr. President, now Federal employees at the Department of Energy will know that in these tough budgetary times the private contractors will not escape unscathed. Secretary O'Leary's strong action sends a powerful message that I hope all other agencies will hear.●

AFTER 219 YEARS, HARTFORD PUBLIC LIBRARY CELEBRATES 100TH ANNIVERSARY

● Mr. LIEBERMAN. In 1774, a group of local people formed the Hartford Library Co. to purchase "a collection of useful and religious books for the benefit of themselves and families, and the promotion of virtue and useful knowledge." Thus began what we know today as the Hartford Public Library. On May 9, 1893, the Connecticut General Assembly passed a special act which gave the library its current name.

On Thursday, May 6, 1993, the library held a reception to celebrate its first 100 years, and those who attended had an opportunity to see some of the famed Hartford collection, a large collection of priceless books, publications, letters and other memorabilia.

The Hartford collection was officially begun in 1945 by head librarian Magnus K. Kristoffersen. However, its true creation dates back much earlier. The library's original collection was begun in 1774 by the Library Co., increasing greatly a century later under the leadership of Caroline M. Hewins, when the library was known as the Hartford Young Men's Institute.

The nucleus of the Hartford collection is the personal library of Howard K. Bradstreet, former director of the Hartford Bureau of Adult Education and local historian, which was bequeathed to the library in 1937. Other notables include 18th and 19th century political and religious pamphlets donated by Noah Webster; the Geer collection of city directories from 1828 to 1927; music scores by Dudley Buck and John Spencer Camp; papers and pictures collected by former feature writer for the Hartford Courant Herbert Stoeckel; the Horace Wells collection, the Gwen Reed black history collection, the Bulkeley collection of over 500 children's books printed in Hartford; and the Lydia Huntley Sigourney collection of books and correspondence.

This unique collection serves as a permanent record of the history of Hartford, further enhancing the reputation of a city already associated with such literacy figures as Mark Twain, Noah Webster, Harriet Beecher Stowe, Wallace Stevens, and Charlotte Perkins Gilman, among others.●

TRIBUTE TO AMY CURTIS

● Mr. MCCONNELL. Mr. President, I rise today to pay tribute to a Kentucky citizen who has distinguished herself as a leader in providing assistance to struggling families in Russia.

Two years ago, Mrs. Amy Curtis of Madisonville was moved by television images of long lines and food shortages in Russia, and decided to try to help. Wanting to find a way she could make a difference to a specific family, she contacted churches, government officials, television stations, and whoever else would listen to find a way to sponsor a Russian family. Finally, she was able to arrange an interview with the former Soviet news agency Tass, which would be seen by others throughout the Soviet Union.

After the story ran, some 200 letters from real Russian families arrived at the Curtis home. This was the beginning of a massive effort to provide direct private assistance to Russian families. Within 2 years, her organization, Family to Family, had linked over 1,600 American families with Russian counterparts. She collected donated goods from United States homes and sent them directly to specific Russian families. After learning of her work, the non-profit Fund for Democracy and Development began helping her ship goods. Seven tractor trailer loads of supplies have been shipped so far. Supplies include shoes, hearing aids, clothing, medicine, and even a mammography machine.

With a grant from the State Department, Mrs. Curtis will be traveling to Chelyabinsk, Russia, in June to set up a thrift shop where families can receive clothing and supplies. Chelyabinsk is a village about one thousand miles east of Moscow that has faced many problems, including radioactive disasters in the 1950's and 1960's. Most of her relief deliveries have gone there. Working with a Russian partner at the receiving end of her shipments, Mrs. Curtis hopes to quickly establish this enterprise to better distribute the donations she receives.

I applaud Amy Curtis' efforts and wish her luck on her trip. Her perseverance and dedication to a project that she could never have imagined would grow this large is inspiring. In this difficult transition the Russians are now going through to implement a market economy, I am delighted that a fellow Kentuckian is leading efforts of private citizens to assist them in their struggle for reform.●

REFORM OF OUR IMMIGRATION SYSTEM

● Mr. BRYAN. Mr. President, as we are all aware, the problem of illegal immigration is not new. For years, hundreds of thousands have attempted to pass through our porous borders, and our attempts to control this influx have been

weak at best. Yet, recent events have focused our attention on one specific loophole in our immigration policy—our system of political asylum. The stories are shocking—and call for us, in Washington, to take urgent steps to put a stop to the flaunting of our immigration law that is now occurring.

The United States has always prided itself on its acceptance of those who are not safe in their home countries—those who face torture and death in their homelands. Even today, the United States has no law limiting the number of refugees we will accept from any country. However, the unfortunate reality is that many foreigners have used our generosity to exploit our overburdened immigration system. Unscrupulous aliens have sought to use loopholes in our immigration laws to illegally enter and live in the United States at a high cost to our society, and to legitimate refugees.

Nowhere is this abuse more evident than in our system of granting political asylum. Thousands of aliens have learned that once they arrive at an American port of entry such as the Kennedy Airport in New York, simply by uttering the words "political asylum," they are virtually assured of an extended stay in the United States.

Recent events have shocked the country into recognizing a horrible consequence of this breakdown in immigration control—acts of terrorism within U.S. borders made possible by lapses in our immigration law, particularly our system of adjudicating political asylum cases.

The Nation was jarred into the reality of terrorism by the pictures of chaos and destruction resulting from a bomb placed in the heart of New York's business district. During the followup investigation, it soon became clear that most of the suspects in the bombing has used our chaotic immigration system to enter and remain in the United States illegally.

The New York Times recently characterized two of the suspects in the World Trade Center bombing. One, named Mohammad Ajaj, was apprehended and put into custody when arriving at Kennedy International Airport because of a fraudulent passport. He arrived at the airport carrying in his suitcase instructions on how to place land mines, videotapes on suicide car bombing, and how to make TNT. Unfortunately, the capture and detainment of Mr. Ajaj is the exception.

Another suspect in the bombing who arrived on the same plane, Ramzi Yousef, was not put into custody. Mr. Yousef uttered the magic words "political asylum," which immediately entitled him to stay in the United States until his hearing date, well over 1 year. During the interim, Mr. Yousef was released from detention because of the lack of space. Mr. Yousef is still at large.

Another individual, Mir Aimal Kans, responsible for the tragic walk-by shootings outside the CIA facility here in the DC area, also used the claim of political asylum to stay in the United States and even received a work authorization. According to a Washington Post article quoting INS officials on February 18, 1993, Kans's application cemented his stay in the United States because Federal law prohibits the INS from deporting immigrants whose requests are pending. After receiving a work authorization, Kans was able to receive a job as a courier and a driver's license, enabling him to purchase the assault rifle later used with such horrible effect.

For many years, we here in America have lived under the illusion that we are safe and secure within our borders. Terrorist incidents that splashed across the newspapers always occurred overseas, in the Middle East, in Northern Ireland, in England.

This security blanket was suddenly and violently ripped wide open as a result of these two recent events, that have shocked Americans out of complacency and made us more aware of the everyday dangers of terrorism. A bomb exploding in the business center of our Nation's largest city. A lone gunman walking with impunity shooting at innocent civilians outside the CIA headquarters.

Mr. President, we should not need a tragedy to cause us to act. However, with these recent events, there is now absolutely no excuse for inaction in the face of this serious problem faced everyday by Immigration and Naturalization Officers at points of entry into the United States.

Both of the recent incidents may have been prevented if a more effective immigration screening process had been put into place.

Under the current system, all those who enter the United States, even those with no documents, or blatantly fraudulent documents, are given a full hearing once they claim political asylum. Because of the dramatic increase in the number of aliens claiming political asylum, the current backlog for hearings may be as long as 14 months.

In the meantime, large ports of entry have severe shortages of detention space, and the overflow of aliens are simply let free, on the condition that they will return for a hearing. As you can guess, Mr. President, those with legitimate political asylum claims may actually show up at the hearing, but recent statistics out of New York show that almost 60 percent of those who are released are never heard from again.

Mr. President, the evidence is now overwhelming that foreigners have developed a systematic method of entering and staying in the United States that completely circumvents our immigration law. The statistics are alarming. While in 1980, only 500 aliens

applied for political asylum, in 1992, that number had increased to over 103,000.

Currently, almost a quarter of a million asylum cases are waiting to be decided. Yet, in 1992, fewer than 12,000 claims were processed. There can be no question that reform to this system is urgently needed.

I have signed on as a cosponsor to legislation introduced by Senator SIMPSON called the Port of Entry Inspections Improvement Act of 1993. While not a final solution to this problem, this bill would take important steps to expedite the exclusion of aliens who are blatantly attempting to exploit loopholes in our immigration regulations.

Under this bill, those who attempt to use fraudulent documents to enter the United States, or those who produce documents when departing a foreign nation, but destroy them en route, will immediately go before a special immigration officer who will determine if the alien has a credible fear of persecution in their country of departure. Those who have a credible fear will be given a full hearing under our current political asylum laws. However, those without a credible claim of political asylum will be immediately excluded from entering the United States.

Mr. President, the time to change the system is now, before we face another tragedy. I ask Senator BIDEN, chairman of the Judiciary Committee, to pass this bill quickly through committee. ●

COMMENDING SAUL AND ELAINE SCHREIBER

● Mr. MCCAIN. Mr. President, I was extremely pleased to hear that Dr. and Mrs. Saul Schreiber have received the National Distinguished Service Award from the Orthodox Union. I would like to congratulate them on this outstanding achievement.

Mr. President, as residents of Arizona, the Schreibers have set a fine example throughout our State for their dedication and commitment to community service. They have served as model citizens, and this prestigious award is a fitting tribute to their efforts.

Mr. President, I am pleased to bring Saul and Elaine Schreiber to the attention of the Senate, and I wish them both continued success in their future endeavors. ●

TRIBUTE TO HORSE CAVE

● Mr. MCCONNELL. Mr. President, I rise today to pay tribute to the town of Horse Cave in Hart County.

Horse Cave is a small town in the southern part of the State near Mammoth Cave National Park. As the name implies, Horse Cave has a cave located in the middle of town.

In the early decades of this century, crowds of visitors came to Horse Cave

to tour the cave and stay in town overnight. Horse Cave bustled with department stores, groceries, and a fancy inn known as the Owens Hotel. However, by the 1940's, the cave had become polluted. The pollution ended the cave tours and also killed the blind cave fish that dwelled in an underground stream. The crowds disappeared, and with the tourism gone, Horse Cave struggled with the ills that plague a small town. Farmers started having trouble and the businesses that catered to them struggled too.

In 1989, a new sewer system was installed in the city, stopping the flow of pollution into the downtown cave. The blind cave fish and the tourists started to return, and the city began making its comeback. Investors have started to come into Horse Cave. A 28-store Mammoth Cave Factory Outlet opened in 1991 and a new 100-bed skilled nursing home is under construction. The American Cave and Karst Center just opened its museum on caves in the city, and the 343-seat Horse Cave Theater is undergoing an expansion and renovation. Horse Cave is well on its way of reaching its potential.

I applaud Horse Cave on overcoming its difficulties and moving toward a very prosperous future, making it one of Kentucky's finest towns.

Mr. President, I ask that a recent article from Louisville's Courier-Journal be submitted in today's RECORD.

The article follows:

[From the Louisville Courier-Journal, May 10, 1993]

HORSE CAVE

(By Cynthia Crossley)

As you might imagine, there is a cave in Horse Cave, right smack in the middle of town. And as the fortunes of the cave, which yawns open on Main Street, rose and fell, so went the fortunes of Horse Cave.

In 1867, naturalist John Muir said the cave served as a "magnificent fan," cooling "crowds of people" who sat in the shade of trees by its entrance.

"It seems like a noble gateway to the birthplace of springs and fountains and the dark treasures of the mineral kingdom," Muir wrote in his book, "Thousand Mile Walk to the Gulf."

The crowds continued into the early decades of this century. Visitors arrived, first by the trainload, and later in traffic jams miles long to tour the cave and stay in town overnight. Horse Cave bustled with department stores, five groceries and a fancy inn known as the Owens Hotel, the kind of place people want to have Sunday dinner if they weren't already staying there.

But by the 1940s, the cave had turned into a smelly sewer. Pollution ruined a source of drinking water for the town and killed off the cave tours as well as critters such as the blind cave fish that dwelled in an underground stream. Worse, during hot summer days in the 1970s, the odor drifted into town.

The crowds evaporated, and the cave seemed condemned to a fate of sewage, litter and weeds. The hotel closed and fell into ruin. Interstate 65 took over from U.S. 31W as the main north-south artery; travelers could avoid Horse Cave completely.

With tourism gone, Horse Cave struggled with the ills that plague small towns. Agri-

culture, a major part of the local economy, weakened as farmers retired or went broke.

"There's been a lot of dairy farmers go out of this business in the last 10 years . . . and the dairy farm numbers have really declined," said Nick Gunn, president of the Hart County Creamery, a cheese processor that is one of Horse Cave's oldest businesses. ("Unless you count bootlegging," joked City Clerk Ann Matera.)

Gunn's family had located the business to take advantage of a top dairy-producing region. But because of the decreasing supply in Kentucky, "we're now buying raw milk out of Tennessee and North Carolina," Gunn said.

Tobacco farmers haven't been immune to the downturn, thanks to the anti-smoking campaign. During McCubbin Motors' recent annual "Customer Appreciation Day," a customer munching on the farm machinery dealer's free barbecue told a reporter, "You should tell them we don't want any more cigarette taxes here."

As farmers struggled, Horse Cave businesses that catered to them struggled too. The lure of regional malls and a large Wal-Mart in Glasgow didn't help. Some downtown stores closed.

"The thing I remember the most was going to the Ben Franklin department store, a five-and-dime, when I was 12 to 15 years old, and getting a cherry Coke," said Tommy Bale, who manages his family's tobacco farms near Horse Cave, Glasgow and Greensburg. "When those (kinds of) stores move out, the town history goes with it."

But now the status of the cave has changed. A new sewer system in 1989 stopped the flow of pollution into Hidden River, the underground stream that flows through the downtown cave. Over the last few years, the stream has revived to the point where even the blind cave fish have returned.

As Hidden River Cave began making its comeback, so, too, did the town.

Now "there's so much exciting stuff going on here it's not like a little town at all," said Horse Cave Mayor Sandra Wilson. "We are (one of the) largest burley tobacco markets, and for a city our size we have some pretty good industries."

Added Matera, the city clerk, "Our goal is getting to a balance of agriculture, tourism and industry."

But "right now, tourism is getting a special focus," Wilson said.

A visitor driving down Horse Cave's Main Street will see a renovated and expanded Horse Cave Theater. The American Cave and Karst Center just opened its museum on caves. (Karst is a type of topography characterized by caves, sinkholes and underground streams flowing through limestone. An official "grand opening" of the center is planned for this summer.)

Visitors strolling Main Street can see a newly landscaped entrance to the cleaned-up Hidden River Cave.

Investment has come to other parts of the community. Next to the Caverna Memorial Hospital, a new, 100-bed, skilled-care nursing home is under construction. West of the interstate is the 28-store Mammoth Cave Factory Outlet Mall that opened in 1991 and continues to expand. On the east side of the interstate is a popular private attraction called Kentucky Down Under. The name is a play on the caves as well as owners Bill and Judy Austin's decision to exhibit animals from her native Australia.

The Austins, in fact, have had a big impact on Horse Cave, even though they have been controversial at times, as they themselves acknowledge.

"People saw us coming downtown, doing things, and perceived it as being dictated to, and resented it," Judy Austin said. "Our time for initiating things is over, I think."

It was Bill Austin, back in 1975, who convinced Warren Hammack to start Horse Cave Theater as a resident professional repertory company. And it was Austin who urged the American Cave Conservation Association to pull up stakes in Richmond, VA., and establish a new national headquarters in Horse Cave. Austin's offers included rent-free buildings to help the theater and the cave group get established.

Hammack, who had been doing stage work in Los Angeles, recalled that selling him on a move to Horse Cave took a little work because "I didn't really see an urgent need to do theater in Horse Cave."

But Hammack, a native of Sturgis, Ky., came back and after some tough years got the theater off the ground. Last week, construction workers put the final touches on the 343-seat theater's \$1.3 million expansion and renovation that includes: a new entrance, complete with a lobby featuring windows designed and built by Kentucky craftspeople; a new rehearsal hall and a costume shop; and expanded dressing rooms.

The changes mean the theater will offer 168 performances a year, instead of 99, and a season that will eventually run from March to December.

The theater draws supporters from the region. In the off season, staff members offer classes in acting and play writing.

Equally impressive is the new cave and karst center next door, with its mockup of a cave interior and exhibits on cave history, groundwater and the local cave wars, in which privately operated caves competed fiercely for the tourist dollar.

The American Cave Conservation Association, which will run the center, raised more than \$1 million to create it. Although the museum is open, association director Dave Foster said his organization still needs to raise about \$500,000 to complete the exhibits. They include a computer program on how to fly blind like a bat and displays that explain cave biology and geology.

The cave association, a national organization, hopes that revenues from the center will fund cave cleanup and conservation efforts around the country. A prime example of what can be done sits beside the museum building—the Hidden River Cave of downtown Horse Cave. Volunteers have cleaned up the cave and built new steps and landings so that museum visitors can take a 30-minute tour that goes right down to Hidden River and some of the turn-of-the-century waterworks still there.

Sue Bunnell, president of Horse Cave State Bank, said that of all the things going on in Horse Cave, the revival of the cave probably excited her the most.

"For 34 years, you could not walk down to the mouth of the cave. All you could do was walk to the fence and look over," she said.

As finishing touches were applied to one block of Main Street, the community turned to another Horse Cave landmark. A few weeks ago, said Mayor Wilson, a woman bought the old Owens Hotel with the intention of restoring it to its former glory.

It is too early to tell if she will succeed, and there is skepticism about whether the building can be saved at all. The second-floor porch fell long ago, some windows are nothing more than openings in the brick, and the roof is gone over parts of the building.

"It's an awful eyesore and I had had hopes at one time that it could be restored," said

Gunn, "but to restore it and all the additional costs associated with complying with regulations . . ."

Gunn shook his head. "It may be cheaper to rebuild. But then we would lose a little of the character we once had."

Big employers (Horse Cave, 1993): Dart Container Corp., 290; Mammoth Cave Factory Outlets, 185; Caverna Independent Schools, 158; Ken Deg Inc., 110; Caverna Memorial Hospital, 78.

Media: Newspapers—Hart County News-Herald (weekly). Television—Cable available. Education: Caverna Independent Schools, 957 students.

Transportation: Air—Glasgow's Moore Field, a 4,000-foot paved runway, is 11 miles south of Horse Cave; the nearest scheduled service is at Louisville's Standford Field, about 80 miles north of Horse Cave. Rail—CSX Transportation's main line between Louisville and Nashville runs through Horse Cave, Truck—24 common carriers serve Hart County.

Population (1990): Horse Cave, 2,284; Hart County 14,890.

Per capita income (Hart County, 1990): \$10,985, or \$3,980 under the state average.

Topography: The region's terrain is marked by rolling hills, underground streams, sinkholes and caves, including nearby Mammoth Cave National Park.

FAMOUS FACTS AND FIGURES

Horse Cave is one of three towns that make up the "caveland" east of Mammoth Cave National Park. The others are in Barren County; Cave City, which lies just south of Horse Cave on U.S. 31W, and Park City, a few miles south of Cave City. Once operating as competitors for the tourist dollar, they now work together to lure tourists.

Paris-based abstract painter Joe Downing is an internationally known artist whose work has been exhibited in Europe, North America and Australia. But he frequently goes home to Horse Cave and says it influences his painting. His brother is former Western Kentucky University President Dero Downing.

So how did Horse Cave get its name? According to city clerk Ann Matera, the short answer is that nobody knows, Matera advances the theory that "horse" was used to reflect the large size of the opening to Hidden River Cave. There's also a legend that a settler's horse fell into a sinkhole and several days later was found roaming the caverns under the settlement.

At one point, Horse Cave was also known as Caverna. Although the area had been on maps as Horse Cave since the late 1700s, city leaders opted in 1888 for the Caverna name because it was "more sophisticated." However, the L&N Railroad was bound to call its downtown station "Horse Cave." After 11 years of confusion, city leaders in 1879 voted to change the name back to Horse Cave. Caverna, however, lives on in the name of the consolidated school district and the local hospital.

Drivers headed east out of Horse Cave on Ky. 218 travel the Charles Moran Memorial Highway, honoring the college football coach and baseball umpire who considered Horse Cave his home. Among Moran's achievements; coaching Centre College to its 6-0 victory over Harvard in 1921 and umpiring the 1927, 1929, 1933 and 1939 World Series.

INDIAN GAMING REGULATORY ACT OF 1988

● Mr. INOUE. Mr. President, I rise today in response to calls that I have

been receiving from some of my colleagues in the House and Senate in an effort to clarify some apparent misconceptions that resulted from remarks made in a press conference that was held yesterday in the Senate television gallery announcing the introduction of a bill to amend the Indian Gaming Regulatory Act of 1988.

While I was not present at the press conference yesterday afternoon in which Members of the Congress announced the introduction of a bill that is titled, the Gaming Integrity and State Law Enforcement Act of 1993, I have now reviewed the proceedings of the conference, and because there were certain statements made that might be misconstrued by those that may be less familiar with the provisions of the Indian Gaming Regulatory Act [IGRA], I welcome this opportunity to clarify the intent of the act and its provisions.

It seems to me that the concerns expressed by my colleagues in the House and Senate yesterday are centered in two major areas: First, a concern that the State and tribal governments are not providing the kind of regulation of class III gaming that is provided in the States of Nevada and New Jersey; and second, a concern that States don't have the means to determine the scope of gaming that will be conducted within each State.

Before addressing each of these concerns and some of the other points that were raised yesterday, I believe it is helpful to review the basic structure of the act as it relates to these concerns.

The Indian Gaming Regulatory Act of 1988 classifies all gaming activities into three classes: First, class I consists of social games that are conducted solely for prizes of minimal value of traditional forms of Indian gaming engaged in as part of or in connection with tribal ceremonies or celebrations; second, class II consists of games of chance commonly known as bingo, including pull-tabs, lotto, punch board, and tip jars; and third, class III consists of all other games not classified in class II.

Class II games are regulated by tribal governments with the oversight of the National Indian Gaming Commission, a Federal agency. Class III games are to be regulated jointly by State and tribal governments pursuant to a tribal-State compact, freely entered into by the State and tribal governments. Under the act, the Department of Justice retains its responsibility to enforce violations of any Federal law associated with the conduct of gaming activities on Indian lands.

I take the time to outline the structure of the act and the respective jurisdiction of tribal, State, and Federal governments, because I believe that there may be some misunderstanding in this area.

My colleagues have expressed when I believe to be a sincerely-held concern

that the State and tribal governments are not providing the kind of regulation of class III Indian gaming that is provided by the States of Nevada and New Jersey. They base their concern on discussions they have had with States' attorneys general and with Governors.

I would make two observations in this regard. When the Indian Gaming Regulatory Act was originally under consideration in the Senate, we had proposed that the Federal Government bear the responsibility for the regulation of all Indian gaming, in conjunction with the tribal governments. We took this approach first, because the U.S. Constitution vests plenary authority over the conduct of relations with the Indian nations—not in the States—but in the Federal Government—specifically, in the legislative branch of the U.S. Government. Thus, it was logical to charge the Federal Government with the responsibility for regulating gaming activities on Indian lands.

Second, we took this approach based on an over 200-year history of government-to-government relations between the United States and Indian tribal governments—a relationship that has minimized the involvement of the States in the provision of programs and services to Indian communities, because it was the Federal government that entered into treaties with the Indian Nations and it was the Federal government that has traditionally been viewed as having a trust responsibility for Indian lands and resources.

Our Federal regulatory approach was also premised upon the body of Federal-Indian law and rulings by the Supreme Court over the last 150 years which have clearly established that State laws do not apply on Indian land unless the Congress acts to explicitly provide for the extension of State jurisdiction on Indian lands.

However, during the process of the Congress' deliberations, the States asserted their interest in having some role to play in the regulation of Indian gaming, and the States of Nevada and New Jersey were direct and honest about their desire not to see Federal regulation of Indian gaming activities for fear of the precedent it might set for the Federal regulation of all gaming activities. This view, as reiterated by Congressman BILBRAY of Nevada yesterday, has apparently not changed.

And so, while in our judgment we would have had a Federal regulatory system that would have provided for greater consistency in regulation, with nationwide standards for the conduct of Indian gaming and Federal law enforcement, we acquiesced in the position of the several States, and provided that class III Indian gaming would be regulated by the State and tribal governments.

Now, my colleagues are suggesting that the State and tribal governments

are not up to the task, and that the act must be amended to provide a stronger regulatory and law enforcement system that will prevent the infiltration of organized crime in Indian gaming. And, because they are clearly still opposed to any involvement of the Federal Government in this effort, they seem to be suggesting that what the State and tribal governments are charged with doing jointly will be better performed if the States have exclusive authority for the regulation and enforcement of class III gaming.

As chairman of the Committee on Indian Affairs, I do not have any quarrel with the need to assure that a comprehensive regulatory and law enforcement framework is in place at all times to assure the integrity of gaming activities, and I do not believe there is any tribal government in the country that would disagree.

In fact, Vice Chairman MCCAIN and I are currently engaged in a process of dialogue with governors, attorneys general, tribal government leaders, and representatives of the Federal agencies charged with responsibilities under the Indian Gaming Regulatory Act, and I can assure my colleagues that this is one area in which there is strong consensus.

However, having met with nine Governors representing the National Governors Association just last week, I would also note that in several States, the Governors believe that there is a good working relationship between State and tribal law enforcement, as well as in the area of regulation. Thus, while I share my colleagues' concern, I think we are finding more out about the specific needs and concerns of the State and tribal governments in this process, and accordingly, we will be better able to fashion legislation to address those needs.

I have not abandoned the view that there is a role for the Federal Government to serve in the regulation and law enforcement of Indian gaming and, indeed, a few of the Governors have indicated their desire to have Federal involvement because their States are not interested in providing regulation of Indian gaming or law enforcement on Indian lands. It is clear that the Federal law will need to accommodate these variations amongst the States, and that the act can be amended to so provide—not because we as Federal lawmakers impose our judgment on the State and tribal governments, but as a result of the active participation of the State and tribal and Federal governments in developing workable solutions to the regulatory and law enforcement challenges that confront them.

I would make one other observation in this area because of comments that were made yesterday about the number of people involved in regulation and law enforcement in the States of Nevada and New Jersey.

For instance, when one of our colleagues remarked yesterday that the Federal Government has 8 inspectors to regulate gaming in 24 States, while the State of New Jersey has over 1,000 inspectors to regulate gaming in just one State—it might be inferred that we are talking about Federal Government regulation of the kind of class III gaming that is conducted in Nevada and New Jersey. In fact, as I have outlined, the regulation of class III tribal gaming is vested in the States and the tribes, not the Federal Government. So, of course, there are not 1,000 Federal inspectors in each of the 24 States, because the act doesn't vest the Federal Government with authority to regulate class III gaming. As I have indicated, this arrangement—of State and tribal government regulation of class III gaming—was put in the act at the request of the States.

The second concern voiced by my colleagues yesterday had to do with the interaction of State law and the Federal Indian gaming law—a concern that somehow the Federal law has preempted what State law determines to be the scope gaming that is authorized or allowed under State law—a concern that seems to be premised on recent court rulings rather than on the actual words of the statute.

A number of the Members of the Congress yesterday expressed their understanding of the act at the time of its passage; namely, that State law would determine which class III games could be conducted by tribal governments resident in a State. These Members are correct in their understanding of the act's provisions. State law controls and determines which games are conducted in a State by all gaming operators—be they Indian or non-Indian. If States are opposed to the proliferation of any particular type of game, they retain their sovereign authority to amend State law to criminally prohibit the conduct of any specific game. Some States, such as Arizona and Wisconsin, have taken precisely this action in amending their laws and/or State constitution.

The Indian Gaming Regulatory Act does not impose upon any State a requirement that the State must allow tribal governments to conduct a type of game that the State law criminally prohibits. The States are in full control in this area—you don't have to be a lawyer to read and understand the plain language of the statute. State law governs the conduct of class III tribal gaming; it is that simple.

It is also true that the Indian Gaming Regulatory Act authorizes tribal governments to engage in the same kinds of gaming activities that are conducted by others in a State. State laws vary widely in this respect. Some States authorize the conduct of so-called casino nights for charitable purposes—and they authorize the conduct

of whatever games they include within that definition—365 days a year—1 day for each different charity.

Other State laws don't authorize certain types of games, but the knowingly look the other way when these games are being conducted in Moose Clubs and Elks Clubs and by police officers' associations. Other States authorize the conduct of some games only for social purposes, but in both instances anyone can see that these games are being actively engaged in—year round—and yet, these same States would take the position that the tribal governments cannot engage in the same activity, because State law either doesn't authorize these games at all or doesn't authorize them for commercial purposes.

These are the difficult areas that we are in the process of tackling in our dialog with State and tribal and Federal officials. I have observed, on more than one occasion, that when Indian people see these games being played by everyone else in the State, we would be hard-pressed to tell them that there is or should be a different rule when it comes to tribal operation of the same games. So we must sort this out within the context of each State's laws.

I also know that there has been much concern about the interpretation some courts have placed on the laws in three of the States, and one court ruling interpreting the law of the State of Wisconsin has become the broad brush with which all state law have been painted. Many States now authorize State lotteries, but not all States authorize other types of class III game; indeed some States have carefully craved out an authorization for a State lottery while criminally prohibiting other class III activities. So just because a State has authorized a lottery clearly does not determine whether other forms of class III gaming will be allowed. This is a determination that is made on a State-by-State basis by the citizens of each State.

Finally, Mr. President, I want to address the statements of my colleagues that suggested that if action isn't taken immediately, there will be a proliferation of gaming in 49 of the 50 States and wall-to-wall gaming from coast to coast.

The Indian Gaming Regulatory Act authorizes gaming activities to be conducted on Indian lands. Indian lands are located in approximately 28 of the 50 States. For Indian gaming to be conducted in any other State, land would have to be taken into trust for the purpose. The act provides that before land can be taken into trust for gaming purposes outside of an Indian reservation, the Governor of the State must concur in the decision to take land into trust for the purpose. Here again, the States are in control.

And so I would suggest to my colleagues that the notion that Indian

gaming will soon be found in almost every State of the Union if the Congress doesn't act immediately is in fact a trend that will be largely determined by the citizens of each State, not by the Federal Government or the Indian tribal governments.

Mr. President, I want to commend my colleagues in the House and Senate for the action they announced yesterday. They have added their thoughts to this debate, and thereby have contributed in a more specific way to our understanding of their concerns.

For my part, I intend to reserve judgment on the merits of their proposal pending completion of the process of dialog amongst the State and tribal and Federal governments in which we are now engaged, and after hearing from all interested parties, including other Members of this body and of the House of Representatives.

I thank you, Mr. President, for the appointment to share their views with my esteemed colleagues.●

● Mr. D'AMATO. Mr. President, I would like to commend the President and Secretary Cisneros on the fine team they are assembling at the Department of Housing and Urban Development, and reiterate my strong support for Ms. Aida Alvarez to be Director of the Office of Federal Housing Oversight, Ms. Marilyn Davis for Assistant Secretary of Administration, Mr. Joseph Shuldiner for Assistant Secretary of Public and Indian Housing, Mr. Michael Stegman for Assistant Secretary of Policy Development and Research, and Mr. Andrew Cuomo for Assistant Secretary of Community Planning and Development.

The nominees that we are voting on today bring a wealth of experience and knowledge to the Department. I hope that they will each bring the kind of management expertise and innovation that can really make a difference. We must find creative ways to address the problems and needs of our nation's communities and create an environment of success within the Department and for those it serves. I look forward to working with each of the nominees in bringing about the kind of leadership that we so desperately need.

Mr. President, there are enormous challenges lying ahead of the nominees as they undertake to try and meet the current needs of our Nation's communities with limited resources. The individuals that we are voting on today have exemplary records in their fields and exhibit the energy and commitment to play leadership roles in the Department of Housing and Urban Development. I congratulate each of the nominees on their nominations and look forward to working with each of them in the future.●

THE CLEAN FUELS PROGRAM MEANS JOBS AND ECONOMIC DEVELOPMENT IN ADDITION TO ENHANCED AIR QUALITY

• Mr. DASCHLE. Mr. President, economic revitalization and the creation of stable, quality jobs for American workers is the focus of the new administration's legislative agenda. Few disagree with the importance of this objective. Attaining it, however, presents a host of difficult policy and political challenges, as the current debate over the President's economic program clearly demonstrates.

One prerequisite for job creation is the existence of a market. Without a market for the products that workers will produce, the job base cannot be sustained.

One of the world's largest markets is the 120 billion gallons of gasoline sold in the United States each year. The year-round reformulated gasoline [RFG] provisions in title II of the Clean Air Act Amendments of 1990 have set in motion a major transformation of this huge market. By mandating the use of clean-burning alternative fuels, commonly known as oxygenates, Congress has created an opportunity for the Clinton administration to strengthen its economic revitalization program by putting people back to work in environmentally clean, alternative fuel facilities across the country.

Demand for clean burning fuels has already resulted in significant private sector investment in oxygenate manufacturing facilities. These new oxygenated additives range from ethanol produced from corn to MTBE and CNG produced from natural gas. They represent cutting-edge technologies that utilize American raw materials, employ American workers, and pay State and Federal taxes.

These facilities produce domestic fuel additives that not only improve air quality, but also reduce U.S. payments for imported oil and petroleum products, thus leaving more dollars at home for further investment in job creating activity. The program clearly has a positive impact on the entire national economy, not just on the States and communities where physical plants are located.

Establishing incentives sufficient to encourage further private sector investment in these clean fuels production plants will not be easy. We have come a long way in the last 10 years, however, and the foundations that have been laid in new technologies and increased motorist acceptance of the new fuels will allow even faster progress in the years to come.

I was pleased to read in a recent Wall Street Journal article that the Clinton administration is looking to this potential as a means of job creation. On April 13, the Journal reported that, Ms. Laura Tyson, chair of the President's Council of Economic Advisers, "agrees

with Mr. GORE that 'on some environmental issues we have underestimated the benefits,' such as new jobs in clean-air technologies."

Other administration officials have also acknowledged the interrelationship between job creation, environmental protection, trade deficit reduction, and economic revitalization. A recent article entitled, "Putting Energy Into America's Economic Recovery," written by several EPA officials led by Mr. Charles L. Gray, Jr., Director of Regulatory Programs and Technology at EPA's Office of Mobile Systems, offers additional insight as to how important this linkage is to the national economic restructuring now underway.

Mr. Gray and his colleagues argue that "one of the major problems facing the United States today is the burgeoning trade deficit" * * * and that "the greatest single contributor to America's trade deficit is its excessive dependence on imported oil, now at 45 percent of U.S. usage." They further note that, "since 1972, the United States has exported \$1.3 trillion (in today's dollars) for imported oil, thus accounting almost single-handedly for America's accumulated trade deficit."

While this is indeed a shocking statistic, projections for the future are even more worrisome. The Department of Energy's projections of oil imports and prices indicate that the United States will be paying from \$200 to \$250 billion per year for imported crude oil and petroleum products, unless we do something to change our course.

Mr. Gray and his coauthors argue that the United States should set the objective of reducing oil imports by 50 percent by the year 2010. They suggest that, "with a permanent commitment to investing in domestic alternatives, money that would otherwise have been exported for imported oil would instead be spent on fuels 'made in the USA,' generating domestic economic growth and employment. Achieving this goal would create and sustain 4-5 million new high quality jobs in the United States."

But the best attribute of an alternative liquid fuels program is its impact on national investment patterns and capital formation. Because alternative fuels like ethanol, methanol, ETBE and MTBE displace imported oil, investments in their production pay rich dividends. According to Mr. Gray, "the most compelling feature of a national investment in domestic fuels is that it can utilize capital that would otherwise be exported and therefore create incremental jobs for the American economy. Even if \$1 billion of investment in domestic fuels resulted in just \$2 billion less being exported for imported oil, then this would provide twice as much capital and twice as many jobs as an alternative \$1 billion expenditure."

As important as this theory is, the reality is even more impressive. Due to

the multiplier effect, these investments in domestic transportation fuel alternatives actually ripple through the economy at a benefit ratio estimated by Mr. Gray to be 7 to 1. He writes that "our analyses project a \$1 billion investment in domestic transportation fuels will 'save' about \$7 billion in payments for imported oil. There are several domestic transportation fuels that can be competitive at low oil prices on a sustainable basis once initial capital investments are made. Thus, such investments can be projected to produce seven times more jobs than traditional government spending" In other words, a \$1 billion investment in domestic ethanol, methanol and their ether plants will actually save \$7 billion in payments for imported oil.

There are few better ways to spend our dollars when measured in "national return on investment." The result will be cleaner air, an improved balance of payments, new domestic jobs and a reduced national dependence on imported oil.

EPA already estimates that the title II provision of the Clean Air Act could reduce oil imports by at least 500,000 barrels per day by 1995. At an average \$20 per barrel, that amounts to over \$10 million per day, or over \$3.5 billion per year.

The pursuit of cost-effective means of stimulating clean fuel alternatives should be a national policy priority. I ask that Mr. Gray's article be printed in its entirety at the close of my remarks, and I strongly urge my colleagues to carefully consider its message.

The article follows:

PUTTING ENERGY INTO AMERICA'S ECONOMIC RECOVERY

(By Charles L. Gray, Jr., Jeffrey A. Alson, Katherine J. Gold)

Is the American Dream stuck in reverse? The latest news on the American economy continues to give mixed signals. Positive signs such as improved consumer confidence are offset by an increasing federal budget deficit and continued layoffs at many Fortune 500 companies. But underlying these day-to-day pronouncements is the very real possibility that the U.S. economy is in the midst of a historical restructuring. Absent bold leadership and fundamental change, it may be difficult, if not impossible, for the U.S. ever to regain the economic growth of the 1950s and 1960s. Indeed, it is possible that no American generation will ever again achieve a higher standard of living than the preceding one.

There is direct and compelling evidence that a large percentage of the American people have indeed been suffering, long before the recent recession. Since 1972, the average weekly paycheck for nonsupervisory workers has actually declined by 15 percent in real dollars (Figure 1). By comparison, from 1952 through 1972, the real earnings for such workers increased by 40 percent. Had these workers been able to sustain the earnings growth of the earlier period, they would be earning about 50 percent more today than they are.

Despite falling wages for many, most Americans have not perceived a significant loss in their standard of living thanks to a combination of factors. One is simply that, over time, inflation tends to mask reductions in real wages. This effect was particularly pronounced in the high inflation of the late 1970s.

A second factor is that real median family incomes have actually continued to rise, though very modestly, due to a much higher percentage of women in the labor force. The addition of a second worker helped many families to compensate for falling wages. With most women already in the work force, however, a continued drop in real wages will clearly lead to reductions in family incomes and standards of living for millions of Americans.

Finally, and most important, the U.S. financed increased consumption in this period of falling wages and very modest family income growth by going on an unprecedented borrowing binge from the rest of the world. In 1982, the U.S. stood as the largest creditor in the world; i.e., based on historical costs, Americans owned \$152 billion more assets in the rest of the world than the rest of the world owned in the U.S.

There was a nearly one-trillion-dollar reversal of this critical measure over the next decade, as by the end of 1990 foreign assets in the U.S. were \$757 billion larger than American assets in the rest of the world (by way of comparison, the value of all farmland and farm buildings in the U.S. is estimated to be about \$600 billion). In just a few years the U.S. had gone from the world's largest creditor nation to the largest debtor nation. America is mortgaging and selling off its assets to subsidize current consumption.

This unprecedented transfer of wealth overseas is reflected in international trade. The U.S. merchandise trade balance is the annual difference between the value of all U.S. goods exports minus the value of all U.S. goods imports. The current account balance is a broader annual measure that includes the relative value of goods along with that of services, military sales, unilateral transfers, and investment income. Beginning in the late 1970s for merchandise trade and in the early 1980s for the current account, the U.S. began running huge and consistent deficits (Figure 2). By the mid-1980s, both of these deficits were consistently exceeding \$100 billion per year.

The general prescription for a country with large trade deficits is currency devaluation. Indeed, in the mid-1980s many economists believed that a weaker dollar would cure the trade deficits. But the trade deficits dropped only slightly in the late 1980s, even as the value of the dollar fell by 35 percent relative to other currencies on a trade-weighted basis. It appears that, absent additional measures, the dollar would have to be considerably weaker to overcome these trade deficits. Yet another significant devaluation of the dollar would have a major negative impact on the American standard of living and would invite foreign investors to take over even more American assets.

The outlook for future U.S. trade deficits appears very bleak. It is unlikely that the deficits will be reduced through productivity improvements or monetary policy. Productivity cannot be expected to significantly improve, given the low levels of savings and investment in the American economy. There would be strong opposition to weakening the dollar even more. Any type of economic recovery, no matter how minor or temporary, will likely send the deficits to record heights

as Americans will have increased purchasing power for imports.

The long-term implications of huge, structural trade deficits for the U.S. economy are ominous. "Business as usual" will mean continuing to try to live off the rest of the world by borrowing capital or selling domestic assets. Of course, these trends accelerate the trade deficit (through interest paid on past loans and profits foregone on sold assets) but maintain current consumption. But this situation cannot continue indefinitely.

At some point, foreign lenders will stop financing U.S. consumption, either because they no longer trust the American economy to be profitable or because they wish to consume rather than invest. At this point, the "other shoe drops." When foreign funds dry up, the U.S. will have less money with which to consume and less money with which to invest. The U.S. standard of living would clearly decline, and the potential exists for an economic downturn with impacts on employment and poverty that would dwarf those of recent recessions.

The question is: Why doesn't America do something about the trade deficit while it still has control over its economic destiny? The only solution to falling industrial wages and the transfer of American wealth overseas is to develop new domestic industries that can provide high-quality jobs and at the same time compete with products that are currently imported. The most obvious place to begin is producing domestic transportation fuels to replace imported oil.

It's no secret that one of the major problems facing the United States today is the burgeoning trade deficit. This issue was stressed during the recent presidential campaign, along with the problems of a weak economy, job creation, and health care.

The greatest single contributor to America's trade deficit is its excessive dependence on imported oil, now at 45 percent of U.S. usage. Expenditures for imported oil have been a major trade burden since the mid-1970s, generally accounting for \$40 billion to \$80 billion per year. Since 1972, the U.S. has exported \$1.3 trillion (in today's dollars) for imported oil, thus accounting almost singlehandedly for America's accumulated trade deficit.

Concern about oil supply in the U.S. is a relatively recent phenomenon. The oil industry was born in America; oil fueled the remarkable post-World War II industrial expansion in the U.S.; and in the form of gasoline and diesel, it provided Americans the greatest personal mobility the world has ever seen. Not until the OPEC oil embargo of 1973-74 did the American public become concerned about oil supplies or prices. The reductions of supply from Iran in 1979-80 and from Kuwait and Iraq in 1991, and the resulting price volatilities, have reminded Americans of the risks involved with reliance on a very unstable part of the world for our critical energy needs.

Absent a change in energy or economic policies, U.S. oil import dependence will increase significantly in the future. The U.S. domestic oil industry is shrinking. Domestic production is at its lowest level in more than 30 years. Domestic exploration efforts have dropped sharply—the number of active rigs are down over 80 percent since 1981—and some U.S.-based oil companies now spend more for exploration overseas than they do at home. According to the American Petroleum Institute, total employment in the domestic oil industry has fallen by approximately 400,000 jobs since 1981.

Oil consumption in the U.S. has been relatively flat for several years but will begin

to increase again as the economy grows. Transportation accounts for 63 percent of all oil use in the U.S., and Americans continue to buy more cars and drive those cars more miles every year. New car fuel economy in the U.S., which nearly doubled from the mid-1970s to the mid-1980s, has flattened out, and there is strong political opposition to new increases.

The combination of increased consumption and reduced domestic production means that U.S. oil imports will rise significantly in the 1990s. The Department of Energy's National Energy Strategy (NES) projects the U.S. will be importing 55 to 60 percent of its oil by 2000 and nearly two-thirds by 2010. Using NES projections of oil imports and prices, it is expected that the U.S. will be paying about \$200 billion per year (in today's dollars) for imported oil by 2010. If one assumes that all this imported oil is refined offshore, a trend which is expected to accelerate, the bill could rise to \$250 billion per year.

FUELS FOR AMERICA: REINVESTING IN AMERICA'S FUTURE

Bold action is needed if the U.S. is to avert this potential economic catastrophe. The leadership for change must come from the federal government, as public concern about oil import dependence is at its lowest level in 20 years. While some states, most notably California, have done innovative work in transportation fuels, major policy must emanate from Washington.

Unfortunately, the recent national energy legislation, while containing some admirable provisions, basically ignores import oil dependence—which is, by any measure, more important to the long-term well-being of the American economy than all other energy issues combined. Based on past experience, it is possible that there will be no further serious consideration of energy policy at the federal level until the next embargo, the next price shock, or the next war.

The U.S. should consider the simple and powerful goal of a 50 percent reduction in oil imports by 2010. If this were achieved, the benefits to the American economy would be staggering. With a permanent commitment to investing in domestic alternatives, money that would otherwise have been exported for imported oil would instead be spent on fuels "made in the USA," generating domestic economic growth and employment. Achieving this goal would create and sustain 4-5 million new high-quality jobs in the U.S.—ten times more jobs than have been lost in the oil industry since 1981.

Investment in domestic motor fuel production offers tremendous opportunities for economic growth and job creation based on the simple fact that a dollar spent to produce domestic fuel leads directly to investment and jobs in the U.S., while a dollar spent for imported oil or imported gasoline is not available for investment or jobs creation in the U.S.

While traditional expenditures and investment in the private and public sectors generate employment, the reality is that, other things being equal, increased expenditures in one area mean that there are less funds available for investments in other areas, and the net effect on overall investment or jobs is minimal. The key question always must be: Where do the funds for investment come from?

For example, consider investment in infrastructure such as roads, bridges, water systems, etc. Monies spent on public works projects clearly provide direct employment. But while such investment may make sense from a longterm perspective because of the

potential for improving national productivity, it would not likely lead to a significant increase in net national employment. Funds for such programs are typically raised through higher taxes, additional borrowing, or reductions in other spending, all of which decrease the monies available for job creation elsewhere in the economy. But if the funds for this investment were dollars that would have otherwise left the American economy (i.e., monies that would have been spent on imported products), then there would be both more capital and more jobs in the U.S.

The most compelling feature of a national investment in domestic fuels is that it can utilize capital that would otherwise be exported and therefore create incremental jobs for the American economy. Even if \$1 billion of investment in domestic fuels resulted in just \$2 billion less being exported for imported oil, then this would provide twice as much capital and twice as many jobs as an alternative \$1-billion expenditure.

The reality is actually much more promising. Our analyses project that a \$1-billion investment in domestic transportation fuels will "save" about \$7 billion in payments for imported oil. There are several domestic transportation fuels that can be competitive at low oil prices on a sustainable basis once initial capital investments are made. Thus, such investments can be projected to produce seven times more jobs than traditional government spending (Figure 3). These jobs would occur throughout the American economy: directly in oil and natural gas exploration and production and the construction and operation of alternative fuel production plants; indirectly as a result of goods and services used in construction and operation of these facilities; and induced employment through spending of salaries in the local economy, i.e., the "multiplier effect." What alternative investment could possibly produce such a "national return on investment?"

WHAT WOULD REPLACE IMPORTED OIL?

The United States is in a stronger position than any other oil-importing country to develop domestic fuel alternatives to imported oil. It is extremely ironic that the U.S. has become so dependent on imported energy. In reality, the U.S. is an energy-rich country with abundant and diverse energy resources, both fossil (oil, natural gas, coal, shale) and non-fossil (hydropower, wind, solar, and probably the largest and most productive agricultural base in the world).

Contrary to public perception, the U.S. has never had an "energy crisis." Rather, the nation has a "transportation fuel crisis," given that oil is the only energy commodity imported to any significant degree, that all crude oil is refined to produce transportation fuels, and that transportation is the only oil-consuming sector for which American consumers have no practical alternatives.

The most immediate and clear response to a national program to reduce oil imports would be a revitalization of the U.S. domestic oil industry. The impetus would be provided for both large and small oil companies to resume major exploration efforts in the U.S. and to advance oil recovery techniques. Owners of smaller oil fields and stripper wells would be motivated to maximize oil production as well.

Increased domestic oil production would yield new investment and jobs in the major oil-producing regions of the U.S., such as Texas, Oklahoma, Louisiana, Wyoming, Colorado, California, and Alaska, as well as in industrial cities that provide hardware and materials for oil exploration and production.

Of course, as petroleum is a finite resource, over time the price of petroleum would be expected to rise, and there would be a strong market impetus for the development of alternative fuels produced from domestic feedstocks. There are a number of excellent transportation fuels that can be made from abundant energy resources such as ethanol, methanol, natural gas, electricity, and hydrogen. The subsequent development of a domestic alternative fuels industry would create new investment and employment throughout the country, initially concentrated in the corn fields of the Midwest and at the natural gas wells and coal mines in the Middle Atlantic, Midwest, South, and Mountain regions.

In the past, the insurmountable barrier to U.S. commercialization of new motor fuels has been the simple fact that as long as the entire transportation infrastructure is designed and optimized for petroleum fuels, there is no practical opportunity for new fuels to prove themselves in the marketplace. No investor could possibly consider substantial investment for a new transportation fuel production process, given the reality that oil can still be found and pumped in the Middle East for a few dollars per barrel. Any long-term investment could be driven to bankruptcy by a short-term drop in world oil prices by OPEC.

One of the most attractive features of a national commitment to a U.S. motor fuels industry is that a clear signal would be sent to investors that there will be a market for those alternative fuels that can compete with new domestic oil, and that investors need not fear future price manipulation by OPEC.

So how would the competition between these new fuels and gasoline from U.S. oil supplies play out? Of course, it is impossible to predict this with certainty. Clearly, because of transition costs that will be incurred with new fuels, initial investment would be targeted toward increased utilization of domestic oil. The critical issue is the incremental new oil price at which investments in alternative fuels will be considered.

Whether or not American consumers would be faced with higher motor fuel prices depends on the design of the implementation program. If investment costs were internalized in the price of motor fuel, there would likely be a small fuel price increase.

Studies by a number of public and private researchers have projected that domestic alternative fuels from fossil feedstocks could be competitive with oil prices at about \$25/bbl. In the worst case, assuming alternatives cost the equivalent of \$5/bbl more than imported oil, the average price of all transportation fuels to consumers would increase by less than five cents per gallon in the year 2000 and by less than ten cents per gallon when the program was fully phased in. As fuel cost is only a small portion of the total cost of owning and operating a car in the U.S., this would add less than \$100 to the typical American family's annual fuel bill. Inflation-adjusted fuel cost per mile is lower for American consumers today than ever before. A slight increase in fuel cost is a small "price to pay" for a program that can help put the American economy on the road to long-term recovery.

(Endnote: The views expressed herein are those of the authors and do not necessarily represent the views of the U.S. Environmental Protection Agency.)

A GRATEFUL NATION REMEMBERS

• Mr. D'AMATO. Mr. President I rise today, just before Memorial Day, to

stand and remember a special group of Americans who fought for freedom in World War II and are still fighting today. Mr. President, I am talking about the Tuskegee airmen. A group of my constituents will be remembering and honoring the Tuskegee airmen at a reunion of its members and supporters on Saturday, June 12, at 12 noon at the 56th Fighter Group Restaurant.

The Tuskegee Airmen were the Nation's first African-American fighter squadron that broke the military segregation barrier some 50 years ago. During World War II nearly 1,000 black military aviators were trained at an isolated training complex near the town of Tuskegee, AL, and at the Tuskegee Institute. Four hundred and fifty black fighter pilots under the command of Col. Benjamin O. Davis, Jr., fought in the aerial war over North Africa, Sicily, and Europe. They flew P-40, P-39, P-47, and P-51 fighters. These airmen came home with 150 Distinguished Flying Crosses, Legions of Merit, and the Red Star of Yugoslavia.

Our remembrance includes our fallen veterans and the many pilots who distinguished themselves during World War II. Events, such as the reunion of the Tuskegee airmen, offer our Nation the opportunity to say "a grateful nation remembers." It is important that we remember the sacrifices our veterans made 50 years ago. Such sacrifices have helped lead us to victory; a victory that will always be remembered.

Today, the Tuskegee Airmen organization has established a nonprofit national organization with a primary mission of motivating and inspiring young Americans to become full participants in the political, social, and economic mainstreams of American society. The group also sponsors a scholarship program for young people.

Mr. President, I ask my colleagues to join me in honoring this very special group of Americans as they come together to reminisce and remember. •

EVENTS IN GUATEMALA

• Mr. GRASSLEY. Mr. President, 2 days ago, the powerful movement toward democracy in Central and Latin America took a step backwards as the President of Guatemala, Jorge Antonio Serrano Elias, took it upon himself to dissolve the Congress and the Supreme Court of Guatemala, and suspend such basic freedoms as the right of free speech and assembly.

I am speaking today to encourage President Clinton to take action to help return Guatemala to the democratic process and reverse the coup which President Serrano has perpetrated upon his people. In addition, I encourage President Serrano to recognize his mistake and reverse his action.

It is my understanding that the newspapers in Guatemala are not being published and the buildings are sur-

rounded by government troops. In addition, the radio and television media are being gagged by the Guatemalan authorities.

Furthermore, according to news reports, the homes of the Attorney General and the leaders of the Congress and Supreme Court have been surrounded by security forces. In addition, police have surrounded other key institutions, the telephone company, the homes of congressional leaders, and Guatemala's human rights ombudsman, who is a frequent critic of the government.

I am moved by the fact that despite this harsh effort to gag and limit the freedoms of individuals, many in Guatemala, at great risk to themselves, continue to fight for a return to democracy, constitutional law, and respect for human rights.

One such example of this is the Center for the Defense of the Constitution. This center was founded by Guatemalans last August as a private, academic, nonprofit, nonpartisan organization for the sole purpose of defending the democratic and constitutional traditions of Guatemala. The organization is made up of the best legal and constitutional minds in Guatemala and has representation from many different political ideologies. Many former Foreign Ministers of Guatemala and Ambassadors from Guatemala to the United States, United Nations and the Organization of American States are serving on this organization's board of directors.

Just hours after the coup, the Center for the Defense of the Constitution in Guatemala issued a declaration that President Serrano was wrong in his assertion that his actions were consistent with the Constitution and that President Serrano must take responsibility for violating the fundamental law of the State, the Constitution. Apparently, the Guatemalan Bar Association has issued a similar statement. Furthermore, in its last act before being abolished by President Serrano and surrounded by military forces, the Constitutional Court declared that the actions of President Serrano were unconstitutional.

It is my understanding that the Organization of American States is sending a delegation to Guatemala in the next few days. This delegation should express in the strongest terms that this coup shall not be allowed to stand and that it is in President Serrano's best interest to change the course he has embarked upon.

Mr. President, we must not let these brave Guatemalan freedom fighter voices be unheard. We must take action to help steer Guatemala back toward the community of free and democratic nations.●

PEABODY AWARD TO KNME-TV AND INSTITUTE OF AMERICAN INDIAN ARTS FOR SURVIVING "COLUMBUS" DOCUMENTARY

● Mr. BINGAMAN. Mr. President, I rise with great pride today to commend two exceptional institutions in my home State of New Mexico: the Institute of American Indian Arts in Santa Fe and KNME-TV in Albuquerque. Earlier this month, IAIA and KNME-TV received the prestigious George Foster Peabody Award for their collaborative work on "Surviving Columbus," a unique and insightful documentary marking the arrival of Christopher Columbus in the Americas and the subsequent impact of European involvement in Indian culture. Told from the perspective of the Pueblo Indian people, "Surviving Columbus" is, in the words of the 1992 Peabody judges, "simultaneously an important local document and an instructional film for future generations."

This remarkable recounting of 15th and 16th-century history—and 450 years of contact—illustrates the dramatic changes in Pueblo society and the unyielding endurance of the Pueblo people and their culture. The program, which relies heavily on oral tradition and generations of stories told by Indians throughout Arizona and New Mexico, also focuses attention on Pueblo culture today, illustrating the long-term impact of the Europeans upon these peoples and the impassioned pride which keeps their traditions alive.

I am proud of this documentary for several reasons. First, "Surviving Columbus" marks the cooperative production efforts of two important and unique New Mexico institutions devoted to the art. By pooling resources, KNME-TV and IAIA were able to use narratives of Pueblo elders, interviews with Pueblo scholars and leaders, archival photographs, and historical accounts to illustrate the story of the Pueblo Indian's survival and struggle to control their own destiny. With funding provided by the New Mexico Endowment for the Humanities, the Corporation for Public Broadcasting, the Public Broadcasting Service, the Rockefeller Foundation, and the Native American Public Broadcasting Consortium, KNME-TV and IAIA were able to tell the emotional story of the Pueblo survival through turmoil and conquest.

Second, I recognize the cooperation and participation of the Pueblo Indians of New Mexico. As with most of Pueblo history, accounts of the Spanish arrival and European influence are primarily collected as an oral history. "Surviving Columbus" focuses on the Southwestern Pueblo Indians because, of all North American Indians, they have had the longest continuous contact with Europeans. The documentary not only tells a story of the past, but

looks at the Pueblo peoples of today, their continuing struggle to determine their own lives, and the strength they draw from their long history of challenge and perseverance. From this illustration of the Pueblo peoples' strength, we discovered the importance of living a life in balance, one which recognizes the need for simplicity and our connection with the earth and time.

Finally, I am proud that these two New Mexico institutions, KNME-TV and IAIA, had the courage to challenge the conventional interpretation of American history and the impact of Columbus. Our traditional school textbooks speak of an uncivilized land which Columbus discovered and explored. However, the Indians tell a much different story, one of conquest and enslavement. "History is always told from the standpoint of the conquerors," author, anthropologist, and San Juan Pueblo Indian Alfonso Ortiz points out. "Hence, people who are conquered can't trust history. It's not their history; it's the history of their conquerors." In keeping with their oral traditions, the program is visually and audibly poetic. The story is finally told in the voice of the Pueblo peoples. Interestingly, "Surviving Columbus" points out that many of the troubles facing the Pueblo Indians during the 16th century still plague them today—economics, land, religion, sovereignty, and self-determination.

Last year, we marked the 500th anniversary of Columbus' arrival in the New World. This year, I encourage everyone to explore new perspectives of this event. As script consultant and Santa Clara Pueblo native Rina Swintzell expressed,

There are many worlds that exist in the universe and the Pueblo Indian world was a world that was very different from the Europeans in terms of values and lifestyle. I think we need to be aware that human beings do have alternatives in ways of thinking, in ways of living.

KNME-TV and the Institute of American Indian Arts should be commended for presenting the public with an alternative perspective of New Mexican history. Throughout the State, citizens can be proud of this cooperative effort. "Surviving Columbus" is a work that leaves a lasting impression on all those who view it. Congratulations to all those involved with the project, a job well done.●

FOREIGN RELATIONS COMMITTEE HEARINGS ON NORTHERN IRELAND

● Mr. DODD. Mr. President, about 2 months ago, on St. Patrick's Day, I sent a letter to the distinguished chairman of the Foreign Relations Committee, Senator PELL, and the distinguished chairman of the European Affairs Subcommittee, Senator BIDEN.

The purpose of this letter which was signed by six of my Senate colleagues, was to request that the Foreign Relations Committee set aside some time this year to examine the conflict in Northern Ireland.

This issue is one in which I have long held an interest and one that, in my view, demands our immediate and lasting attention. Since 1969, the 6 counties of Northern Ireland have been the site of a bloody and protracted conflict that has claimed over 3,000 lives and left more than 30,000 people injured. This tragic state of affairs is only the latest stage in an age-old conflict that is rooted in centuries of ethnic, political, and religious hostility.

Mr. President, I have long believed that as we seek to build a new international order in the wake of the cold war, we must find a way to address regional conflicts like the one in Northern Ireland. For this reason, I was greatly pleased with both the timeliness and the manner in which my St. Patrick's Day inquiry was answered. On that very afternoon I joined both Senator PELL and Senator BIDEN in announcing that for the first time since the outbreak of the troubles in 1969—indeed for the first time since Northern Ireland came into existence more than 70 years ago—the Foreign Relations Committee will hold hearings on this very important issue.

Mr. President, the conflict in Northern Ireland has taken an extensive and lasting toll on participant and bystander alike. But among the innocent victims of this conflict, honesty and open discussion surely must rank as casualties as well. Regrettably, most of what we know about Northern Ireland is summed up only by stark headlines and barren statistics; our own lack of initiative and the clamorous rhetoric of both sides conspire to deny us a deeper understanding of the truth.

In its present form, the conflict in Northern Ireland is a highly complicated affair, shaped and repeatedly fueled by a widespread collection of forces. Clandestine paramilitary organizations like the IRA carelessly murder innocent civilians in their bloody and relentless war against British rule. Loyalist paramilitary groups carry out violent vigilante attacks against suspected IRA supporters, allegedly with the covert support of the British Government. Human rights violations on the part of British security forces defy the sanctity of justice and due process. And a stagnant and inequitable rate of unemployment fans the flames of cynicism and hostility.

Mr. President, in the past several weeks a number of individuals and organizations have contacted my office to inquire as to when these hearings will begin. Ultimately this is a decision that will be made by the chairman of the Foreign Relations Committee, Senator PELL, and the chairman of the Eu-

ropean Affairs Subcommittee, Senator BIDEN. But in my view, this is a matter that cannot and must not be hurried.

In fact, given the many items pressing for time on the committee's agenda, it seems to me the best time for those hearings may prove to be at some point after the August break. In the meantime, I would welcome the comments and suggestions of all those who have a special interest in these hearings, keeping in mind that the goal is to educate the public, not proselytize it.

Mr. President, this is a historic time. Not once in the history of Northern Ireland has the Foreign Relations Committee held hearings on this tragic and long-running conflict. My hope is that these hearings will advance our understanding and debate on this unfolding story and the many issues surrounding it—and perhaps in some small measure even hasten the day when the two communities of Northern Ireland can find common ground.

Mr. President, I ask that the text of the letter I sent on St. Patrick's Day, cosigned by six other Senators, be placed in the RECORD at this time.

The letter follows:

U.S. SENATE,
Washington, DC, March 17, 1993.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to request that the Senate Foreign Relations Committee hold hearings on the issue of Northern Ireland.

Ever since its creation in 1922, Northern Ireland has been torn between two powerful opposing forces: a Protestant population that mainly favors political unification with Great Britain and a Catholic population that generally favors political ties with the Irish Republic. The most recent phase of violence erupted in 1969, when British troops were sent to Northern Ireland, and peaked in 1972, the year direct rule was imposed by London. In all, over 3,000 people have lost their lives in "the Troubles."

Today the challenges facing the people of Northern Ireland are enormous. Clandestine paramilitary organizations like the IRA wage a bloody and relentless war against British rule. Loyalist paramilitary groups carry out vigilante attacks against suspected IRA supporters. Economic stagnation and a high rate of unemployment continue to fan the flames of hostility and resentment. And human rights violations on the part of British security forces weaken the local populace's faith in the abiding sanctity of justice and due process.

If the rule of law and the sanctity of human rights are to be the building blocks for a new international order, then the United States can no longer turn a blind eye toward this conflict. And yet the proper role of the United States is today a subject for wide-ranging debate. Various observers have suggested several ways in which we could contribute, ranging from personal diplomacy to the sending of a peace envoy to the enforcement of the MacBride Principles. Senate hearings would help us evaluate the relative merit of these and other recommendations.

In our view, hearings would hold an additional—and perhaps more important—pur-

pose: to help our nation come to grips with the epidemic of violence and hatred that has plagued the people of Ulster for the better part of a century. Such an undertaking can only strengthen our sense of the world we live in and the many disparate forces that shape it. And it would be a further step toward building a common understanding of the role of human rights and equal justice in this new international order.

In this time of dramatic and unprecedented change about the globe, the continuing difficulties of a political settlement in Northern Ireland merit our attention. Accordingly, we mark the occasion of this year's St. Patrick's Day by respectfully asking that the Foreign Relations Committee hold hearings on the subject of Northern Ireland. We appreciate your attention to this request and we look forward to the benefit of your reply.

Sincerely,

Dennis DeConcini, Alfonse M. D'Amato,
Harris Wofford, Carol Moseley-Braun,
Christopher J. Dodd, Paul Wellstone,
Donald W. Riegle, Jr. •

FEDERAL MANDATES RELIEF ACT

• Mr. GRASSLEY. Mr. President, too often in the past Congress has seen fit to pass broad-ranging legislative mandates. These mandates acquire a life of their own as they filter through the system of regulation and implementation. But in the end they fall upon our local elected officials, those officials who are closest to the people. And when they fall to the local level for implementation, they take with them the heavy financial burden that often accompanies Federal mandates.

In response to this problem, I have joined with my colleague Senator GREGG, in cosponsoring S. 648, the Federal Mandates Relief Act of 1993.

I do not claim that the Federal Government has no role to play in setting national standards, nor do I claim that there is never a need for Federal regulation. What I question is the lack of direct accountability that has grown in the system. When Congress feels compelled to force a mandate upon the Governors and mayors and local county officials of our Nation, we should feel just as compelled to provide the funding to implement the mandate. For if we, as a Congress, feel that regulations are essential enough to mandate, then surely it follows that they are essential enough to pay for. I would also hope that meeting these financial obligations might make Congress think twice before legislating expensive new mandates.

Mr. President, for too long, we have enjoyed our cake and eaten it too * * * at the expense of local officials. We have satisfied those interests who have called for new legislation while trying to avoid the wrath of the American taxpayer by shifting the costs of implementation to the State and local level.

Today we face severe budget deficits, due in large part to the fact that Congress has been unwilling to make the difficult choices in regard to Federal spending. However, it is not an accept-

able answer to shift the financial burden for our decisions to others. I urge my colleagues support for this important legislation.●

THE CENTENNIAL CELEBRATION OF EDER CORPORATION

● Mr. KOHL. Mr. President, the Eder Corp. in Milwaukee, WI, is celebrating its 100th anniversary this year. When people reach their 100th birthday, they try to get Willard Scott to mention their names and show their pictures on the "Today Show." Some brief remarks in the CONGRESSIONAL RECORD are, I fear, a poor substitute for that kind of recognition, but it is the best I can do.

The Eder Corp. of Milwaukee, WI, is celebrating its 100th anniversary as an ongoing enterprise. More than that, they are celebrating 100 years of family ownership and operation.

One of the things the Eder Corp. is doing to celebrate this centennial is providing people with American flags at a reduced cost when they bring in an older flag to be retired. That is typical of the kind of spirit displayed by the company, its owners, and its employees. They see their business as part of the community, part of the country. They want to share their success with the people who have made it possible. That spirit is sure to guarantee that the Eder Corp. will be around to celebrate its 200th anniversary in 2093.●

TRIBUTE TO BARRY R. FIERST

● Mr. METZENBAUM. Mr. President, I rise today to say a few words in behalf of a man who has committed his career to serving adults with disabilities, Barry R. Fierst.

Mr. Fierst has served for the past 9 years as the executive director of the Jewish Foundation for Group Homes in Rockville, MD. Established in 1983, the Jewish Foundation for Group Homes is a community residential program serving adults with developmental disabilities and chronic mental illness. Now, 13 group homes, an apartment program, and more than 100 residents later, Mr. Fierst is leaving the foundation. I am certain he will be missed because he believed that dignity is the birthright of every individual regardless of disability. His leadership enabled residents, staff members, and volunteers of the Jewish Foundation to flourish beyond their own expectations and the expectations of those around them. Mr. Fierst's integrity and commitment built a unique and vibrant service system for individuals with disabilities throughout the Washington community. Under his exceptional leadership, the Jewish Foundation for Group Homes became a nationally renowned model for serving individuals with disabilities as dignified, integrated, and valued members of the community.

As Mr. Fierst leaves the Jewish Foundation for Group Homes, I commend him for his wonderful work and wish him every success for the future.●

MEMORIAL DAY TRIBUTE TO THE HMONG

● Mr. KOHL. Mr. President, on Memorial Day, when the United States honors those Americans who gave their lives in the defense of freedom, it is fitting that we also honor our allies who supported the efforts of the United States during the Vietnam war.

The Hmong, as a people, originated more than 4,000 years ago in the central part of what today is China. They lived in a prosperous country, the Kingdom of the Yellow River, established on the sides of the Hoang Ho River. However, as a result of invasion, war, and persecution by the dominant society, the Hmong chose to live in isolation and poverty in order to preserve their 1,000-year-old traditions. They became a hill tribe known in Southeast Asia and the world over.

At the beginning of the 19th century, the Hmong migrated from China into Laos and, over the years, became one of the three main pillars of the Laotian nation.

During the American war in Indochina, the Hmong joined forces with the United States to combat the Communist North Vietnamese forces. In addition, the Hmong soldiers were a vital component of the secret war in Laos, 1962-75. Because of their association with the United States Government, tens of thousands of Hmong were forced to leave Laos after the takeover of Indochina by the Communists in 1975. And in 1993, out of the approximately 130,000 Hmong refugees who have been resettled in the United States, 26,000 reside in my home State of Wisconsin.

The Hmong suffered severe losses during the war and received little recognition for their bravery and support. They are the forgotten soldiers, and their struggle continues today here and throughout the world. These individuals paid a great price and they deserve our honor and respect on this Memorial Day.●

MINING LAW REFORM

● Mr. DECONCINI. Mr. President, Tuesday night the Senate agreed by unanimous consent to pass S. 775, Senator CRAIG'S Hardrock Mining Reform Act of 1993. I rise today to speak on the economic importance of the mining industry to the State of Arizona and the importance of balancing environmental interests with maintaining the economic viability of the industry during the House-Senate conference committee deliberations on mining law reform.

For a number of years both the House and the Senate have held hearings and

debated the merits of reforming the 1872 mining law. S. 775, the bill that was passed by the Senate, will fundamentally change the regulations governing mining on public lands. It will institute a 2-percent minemouth, or a form of net royalty, and require certain planning and reclamation standards, among other provisions.

This bill represents some significant reforms in the 1872 mining law. There are also other mining law reform proposals that have been introduced in the House by Congressman RAHALL and in the Senate by Senator BUMPERS that would make even further, more drastic changes to the present mining law. Senator JOHNSTON, chairman of the Energy and Natural Resources Committee, has indicated that S. 775, the Craig bill, will only be a vehicle to facilitate a conference on mining law reform. Therefore, Mr. President, the House-Senate conference committee is likely to negotiate an agreement somewhere in between the widely divergent views presented in the Craig bill and the Bumpers and Rahall bills. The nature and extent of the changes the conference may agree to beyond Senator CRAIG'S proposals could have a potentially severe impact on thousands of jobs in Arizona. Arizona was the second-largest producer of nonfuel minerals in the Nation in 1992, with an estimated value of more than \$2.8 billion.

On numerous occasions, President Clinton has emphasized that the economy and jobs are of enormous importance to the future of this country. I could not agree with the President more. In Arizona, and throughout the West, a strong mining industry is essential to achieving the President's goals of stimulating the economy and maintaining the job base. The President has also spoken of equitably balancing the competing interests of the environmental community and industry regarding the use of public lands. Again, I agree with the President that balance is the key to resolving this issue fairly and achieving economic stability for future generations.

During consideration of the budget resolution, the President agreed with Western Democrats that mining law reform could not be dealt with in the context of revenues and deserved a much more thoughtful, comprehensive approach. I would hope that the conferees will keep this in mind during negotiations on this reform.

Mr. President, Arizona and this Nation have a large stake in the outcome of reform of the 1872 mining law. Arizona produces 60 percent of the Nation's copper, which is of strategic importance, and is the second-largest mineral producer in the United States. Drastic reforms in the mining law that do not take into account maintaining the economic viability of the industry and that may inhibit future mineral production will have impacts that

reach far beyond Arizona. In Arizona, many communities, like Douglas and Morenci, depend on jobs directly and indirectly related to the mining industry and industry payments to local governments for their existence. The following statistics reflect the vital nature of the mining industry to Arizona's economy:

Over 14,000 people are directly employed in Arizona by the mining industry. Copper mining employs 12,100 people.

Over 70,000 Arizona residents have jobs as a result of the combined direct and indirect contributions from mining to personal, business, and government income in Arizona. This includes retail sales, government, construction, and teaching jobs.

State and local governments in Arizona received more than \$400 million in revenues either directly or indirectly from the mining industry in 1992. More than 7,000 government employees received their salaries because of taxes paid by the industry—over 4,000 of which were teachers.

The mining industry in Arizona had a \$6.6 billion impact on Arizona's economy in 1992.

Federal revenues from Arizona copper totaled \$88 million. This is a return of over \$500 an acre each year for Federal lands in Arizona converted to mine ownership and utilized under the 1872 mining law.

Arizona producers exported 454 million dollars' worth of various copper products overseas, mostly to Japan and the Pacific rim.

Mr. President, as these facts illustrate, the mining industry is of paramount importance to the country as well as the people of Arizona. We must take these vital economic factors into account in negotiating mining law reforms or we risk putting people out of work, closing schools, and uprooting families.

Options under consideration vary widely but certain provisions of S. 257, Senator BUMPER's bill, would create major problems for the mining industry. Title II of S. 257 would create a regulatory environment of such enormous proportions and unachievable requirements that new mines would no longer be able to pass the regulatory standards established by title II. In addition, title II may require many existing mines to shut down due to their inability to meet the regulatory standards called for under the bill. This does not represent a practical approach to dealing with the mining issue. A balance between environmental interests and mining interests can and must be achieved. Responsible reform is possible—I believe in it and I support it—but it is necessary to be aware of all sides of the issue as negotiations begin.

Careful and skillful crafting of mining law reform will ensure that jobs and the environment are protected.

When the final mining legislation is developed, the social impact on communities and families must be minimized, positive steps for the environment must be achieved, and economic issues must be considered. If this is not achieved, then this body has failed an important test—that of developing legislation which has positive impacts on jobs and the environment.

Mr. President, I know this sounds like an impossible task in light of the overwhelming concerns of groups on all sides of the issue. However, today I am issuing a challenge to the members of the conference to achieve the necessary balance, between protecting jobs and protecting the environment. The goals of maintaining jobs related to the mining industry and protecting the environment are not mutually exclusive.

Mr. President, I urge my colleagues to take into account all sides of the tough issue of reforming the 1872 mining law. The livelihoods of thousands of people in the West are dependent on the decisions that we make.●

PRECISION TECHNOLOGY INC.

● Mr. McCAIN. Mr. President, I was extremely pleased to hear from the U.S. Small Business Administration about the selection of Precision Technology Inc. as Regional Small Business Subcontractor of the Year. I would like to congratulate them on being chosen.

Mr. President, this is an outstanding achievement for an Arizona company, Precision Technology Inc., and one that I believe the Senate should take note of. Precision Technology's commitment to excellence sets a fine example and a goal for all businesses to achieve.

Again Mr. President, I would like to extend heartfelt congratulations to Precision Technology for receiving this most prestigious award, and my best wishes for their continued success.●

REFORMING AMERICA'S FOOD SAFETY INSPECTION SYSTEM

● Mr. DURENBERGER. Mr. President, I rise today to call attention to what is becoming an increasingly dangerous threat to the Nation's health—America's antiquated and inadequate food inspection system.

I ask that an article printed in the May 24 issue of the Washington Post regarding an outbreak of food-borne illness in Ohio be printed in the RECORD. Over the past 10 days, more than 300 diners at a Dayton, OH, restaurant have contracted symptoms of food poisoning, and a 7-year-old child remains hospitalized.

This incident is only the latest in what has become a series of injuries to the public health due to unsafe food. Americans are losing confidence in the Federal food safety inspection systems that are expected to prevent these

kinds of tragedies. The Federal food safety and inspection systems are failing in their established goals because the divided system of inspection between USDA, FDA, Commerce, and EPA wastes scarce resources.

As the GAO reports in their June 1992 report "Food Safety and Quality", "*** as a result of the inconsistent and duplicative nature of the Federal food safety inspection system *** foods that pose similar health risks to the public are subject to significantly different inspection approaches, and resources cannot be re-allocated among agencies to improve the consistency of inspections of food products or processes. Furthermore, the agencies' actions to protect their own interests prevent the coordination needed to address public health concerns associated with emerging food safety issues and the public's changing consumption patterns."

When the Senate returns from the Memorial Day recess, I will introduce a comprehensive plan to bring the country's food safety inspection system into the 21st century. By consolidating all food safety inspection duties in an independent food safety inspection agency, we can replace today's jumble of conflicting regulations, low standards, and institutional infighting with a streamlined, efficient system that will restore consumers' confidence in the quality of the American food supply.

This bill, the Food Safety and Inspection Agency Act of 1993 would be good for farmers, food processors, and consumers. I urge my colleagues to co-sponsor this legislation when I introduce it.

The article follows:

PIZZA PATRONS STRICKEN

DAYTON, OH.—More than 300 patrons of a pizza restaurant have been stricken with symptoms of food poisoning over the last 10 days and five went to the hospital, a health official said.

One 7-year-old boy remained hospitalized. The other victims were admitted for up to two days, said Bill Wharton, a spokesman for the Montgomery County health district.

At least 324 customers of Milano's Pizzeria, situated near the University of Dayton, have reported suffering symptoms including diarrhea, cramps and vomiting from May 14 onward, Wharton said.

Owner Ron Woods closed the restaurant Friday and agreed not to reopen until officials get back results of tests on food and employees, Wharton said.

The restaurant has been cleaned and all food in it has been destroyed, Wharton said.●

A BREAKTHROUGH ON CYSTIC FIBROSIS

● Mr. KOHL. Mr. President, all of us have spent a good deal of time thinking and talking about health care reform. We do not spend nearly as much time learning about advances in health care, about the results of research, about the kind of treatment that might be pro-

vided under a reformed health care system. That, of course, is not entirely our fault: Most of us are not scientists and the popular press does not carry many detailed reports on medical research.

But recently there was an article in *Newsweek* magazine by Geoffrey Cowley describing new advances in the treatment of cystic fibrosis, a disease that affects over 30,000 young Americans. The article describes a new method of treatment which may actually constitute a cure for the disease. Beyond the specific discussion of the new treatment method, the article makes another point which I would call to the attention of my colleagues. The article illustrates the relationship between research and practical results; it also makes it clear that the Federal Government plays an important role in supporting research—research which may ultimately result in cures for diseases which now plague too many people.

Mr. President, I commend this article to my colleagues and ask that the text of the article, "Closing In on Cystic Fibrosis," appear in the *RECORD* at the conclusion of these remarks.

The article follows:

[From *Newsweek*, May 3, 1993]

CLOSING IN ON CYSTIC FIBROSIS

The world marveled four years ago when a team of Canadian and American gene hunters announced they'd pinpointed the mutation responsible for the West's most devastating hereditary disease. The discovery of the cystic-fibrosis gene gave doctors a powerful new tool for diagnosing the fatal respiratory disorder, even in developing embryos. And it raised the prospect of better treatments for the nation's 30,000 young sufferers. This month that prospect started panning out. On Saturday morning, April 17, a 23-year-old man with advanced cystic fibrosis became the first patient to receive a treatment aimed at correcting the disorder at its source. In an audacious experiment, doctors at the National Heart, Lung and Blood Institute (NHLBI) in Bethesda, Md., tried to install a therapeutic gene in the cells of the young man's lungs. The patient received only a trial dose of the gene-based therapy, too little to profoundly affect his condition. But if the experiment goes as planned, it could very well herald a cure. "For the first time, we're not just treating symptoms," says Dr. Robert Beall, the Cystic Fibrosis Foundation's vice president for medical affairs. "We're getting at the root cause of the disease."

In the United States, deaths due to hereditary illness takes a greater toll than CF. One in 2,500 newborns is afflicted, and most die before turning 30. Some 12 million Americans—5 percent of the population—carry a single copy of the culpable gene, but only those with two copies develop the disease. The dynamics of cystic fibrosis are no mys-

tery. In healthy people, a protein called CFTR provides a channel by which chloride (a component of salt) can pass in and out of cells. CF sufferers have a defective copy of the gene that normally enables cells to construct that channel (the so-called CFTR gene). As a result, salt accumulates in the cells lining the lungs and digestive tissues, turning the surrounding mucus into a sticky, suffocating paste. Slapping and pounding can help dislodge mucus from blocked airways, and antibiotics can control the incessant respiratory infections. But nothing stops the gradual destruction of the victims' lungs.

Until 1989, the prospects for arresting this process seemed dim, but the discovery of the mutation responsible for cystic fibrosis raised a tantalizing possibility: if someone could synthesize normal copies of the CFTR gene and transfer them into a patient's wayward cells, then the cells might start functioning properly.

In 1990, two scientific teams showed that the process worked in a test tube. In concurrent experiments, Dr. James Wilson of the University of Michigan and Dr. Michael Welsh of the University of Iowa succeeded at splicing the normal CFTR gene into disabled cold viruses. The viruses were essential sterile and theoretically incapable of causing illness. But they made ideal delivery vehicles, for they retained their ability to glom onto respiratory cells and deposit their genetic material inside. As everyone had hoped, defective cells turned healthy when infected in a test tube. And when other lab studies showed that the treatment was safe in rats and monkeys, researchers started seeking government approval for a human trial.

Last December, a National Institutes of Health advisory panel endorsed proposals from three teams—Wilson's, Welsh's, and one led by Dr. Ronald Crystal of the NHLBI—and this month Crystal became the first to treat a patient. The initial volunteer received just over four teaspoons of medication through nose drops and a bronchoscope. A second patient started the same regimen last week, and Crystal plans to treat eight more.

Along the way, he hopes to answer several basic questions. The most pressing is whether the treatment is safe; he needs to prove that the virus won't somehow cause disease or inflammation and that it won't spread its cargo beyond the respiratory system. In addition, he wants to determine how readily patient's cells will respond to the treatment, and for how long. If the treatment works, cells that acquire the new gene will manufacture their own chloride channels and start excreting salt normally. But no one knows what dose of virus is needed to infect a given number of cells or just how long the therapeutic effect will last. Because the cells that line the tissues are continually replaced, the effect will not be permanent. But Crystal hopes that at high doses, each round of treatment will bring a couple of months' relief. There's also a danger that after repeated exposures, patients' immune systems will learn to foil the virus before it can do its job. That problem hasn't surfaced in animal studies, and Crystal believes that he can administer the virus in large enough doses to survive even a robust immune reaction.

In a sense, this bold experiment will succeed even if it fails. Scientists have already shown that CF sufferers' cells will respond to gene therapy. The challenge is simply to find a practical way of applying it. "I chose this virus because it's been studied," Crystal says, "but it's not the only possible system." Scientists are already conducting lab studies with other delivery vehicles—some based not on viruses but on microscopic fat capsules known as liposomes—and optimism abounds. "What we're doing now may be very different from what we'll be doing a couple of years from now," says Beall of the Cystic Fibrosis Foundation. If the past few years are any indication, that's putting it mildly. •

ORDER OF BUSINESS

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

The PRESIDING OFFICER. The clerk will call the roll.

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

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

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 8:45 a.m. on Friday, May 28; that following the prayer, the Journal of proceedings be approved to date and the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes, with the following Senators recognized for the time limits specified: Senators GRASSLEY, MURRAY, and GRAMM of Texas for up to 10 minutes, with Senator LOTT recognized for up to 45 minutes, and Senator LIEBERMAN for up to 5 minutes; and that at 10 a.m., the Senate resume consideration of S. 3.

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. No objection.

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

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I ask unanimous consent that the Senate stand in recess, as previously ordered.

There being no objection, the Senate, at 11:02 p.m., recessed until Friday, May 28, 1993, at 8:45 a.m.