SENATE—*Tuesday, June 15, 1993*

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

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

PRAYER

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

Let us pray:

In a moment of silent prayer, let us remember with gratitude Senator SPECTER and his family in the success of his surgery, and Senators SIMPSON and BAUCUS who lost their fathers.

The prayer this morning was included in a letter written by General Washington which he sent to the Governors of the 13 States in 1783 when he resigned his commission from the Army.

Almighty God, we make our earnest prayer that Thou will keep the United States in Thy holy protection, and wilt most graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the Divine Author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy nation.

Gracious God, with this prayer we agree, in gratitude for the profound concern of the father of our country.

To the glory of God and the blessing of the Nation. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 15, 1993.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CAROL MOSELEY-BRAUN, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. MOSELEY-BRAUN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of morning business for not to extend beyond the hour of 12:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes.

The Senator from West Virginia is recognized to speak for up to 1 hour.

Mr. BYRD. I thank the Chair.

LINE-ITEM VETO—VI

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

Last week, we followed Hannibal during his terrible journey over the Alps and his invasion of Italy in 218 B.C. with a force of 26,000 men, having lost almost half of his army during the awful passage through the Alps.

We then followed him to the battle at the Ticinus River in November of 218 B.C., where, in a battle with the Romans, he wounded the Roman Consul Publius Cornelius Scipio. Then, we went with him to the battle of the Trebbia in December of that year where he, through superior generalship, destroyed the consular armies of Scipio and Tiberius Sempronius Longus, in which battle the Romans lost 25,000 men killed and captured.

He then went into the rich plain of Tuscany. At the battle of Lake Trasimene, Hannibal created a trap in which 15,000 Romans were killed, including the Consul Flaminius himself.

This was in 217 B.C.

Subsequent to the catastrophe at Lake Trasimene, the Roman Senate recognized the gravity of the situation and also recognized that it called for a drastic change. The Senate, therefore, arranged for the appointment of a dictator, whose term of office, as we have noted in an earlier speech, lasted only 6 months at the longest.

The choice for dictator fell upon Quintus Fabius Maximus Verrucosus. He was a Roman of the old type, and he was the first to recognize that the religious ceremonies of the Roman people had been neglected. He, therefore, took steps to see that, in every respect, the divine element was not neglected, that the religious ceremonies would be kept, and that the rites and sacrifices would be observed.

In this way, the morale of the people, to a great extent, was restored. Fabius also determined that there should be a new policy concerning Hannibal, and it would be what would later become the "Fabian policy," a policy of harassment of Hannibal's army while avoiding an all-out battle.

When Hannibal moved his army, Fabius would follow along with his forces in the foothills of the Apennines, from whence he could send out raiding parties to harass Hannibal, but never engaging Hannibal in an all-out battle.

This policy caused great consternation in Rome and in the Roman camp. In all previous campaigns, the Romans would seek out the enemy, march out, and fight him, and, with the combination of their skills and discipline, bring him to his knees. So, we can understand the resentment in Rome and in the Roman camp as they saw district after district in Italy go up in flames, while the Roman legions were compelled by the policy of Fabius to follow along slowly behind the Punic invader.

Therefore, there was given to Fabius an agnomen—Cunctator, "the Delayer" so that his name then was Quintus Fabius Maximus Verrucosus Cunctator, "the Delayer." Romans did not like this idea of not giving battle to the invader.

But Fabius knew what he was doing, Hannibal knew what Fabius was doing, and Hannibal was concerned. Hannibal needed to fight great battles, and he needed to win spectacular victories in order to entice the allies away from Rome and to encourage them to join Hannibal's ranks. But the policy of Fabius would gradually wear Hannibal down. Hannibal knew this, because it would never totally cost the Romans in manpower, while Hannibal's forces would, over time, dwindle away through attrition.

Then there came news that must have been encouraging to Hannibal, news that the Roman Senate did not intend to reappoint a dictator, and that Rome would revert to the consular system of having two consuls, each consul with an army made up of two legions, and each consul to exchange with the other consul on every other day the command of the army in the field.

One of the Roman consuls that was chosen in 216 B.C. was Lucius Aemilius Paulus. He was a partisan of the aristocracy. He had been a consul before, and he had a good military record. The other consul, Gaius Terentius Varro, was a known demagog. He had managed to get into office by his defamatory attacks on Fabius, the dictator,

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

69-059 O—97 Vol. 139 (Pt. 9) 21

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

and his policy of avoidance of battle with Hannibal.

Hannibal was compelled to capture Roman supply depots or live off the countryside in order to feed his army. And so, in the spring of 216 B.C., Hannibal and his army began to move. He moved southward, and crossing the Aufidus River, descended upon the town of Cannae. Cannae was one of the original Roman grain depots, and one from which the Romans had been supplying their armies. By seizing Cannae, Hannibal, therefore, deprived the Romans of a main source of supply, while at the same time, providing a more than adequate supply of food for his own army.

The Roman Senate then ordered Paulus and Varro, together with the proconsuls, the consuls of the previous year, Atilius and Servilius, to engage the Punic invader in battle and to retake the town of Cannae. Toward the end of July of that year, 216 B.C., therefore, these several Roman armies converged on the town of Cannae.

Hannibal, having been the first to arrive, had had an opportunity to carefully examine the area all around Cannae and the Aufidus River. He, therefore, selected a level plain on which to do battle, as this would give his cavalry, his Numidian horsemen, an opportunity to demonstrate their superiority over the Roman allied cavalry.

Paulus and Varro and Servilius and Atilius were late in arriving; they were unfamiliar with the grounds, and they arrived after a long march. But Paulus, being in command that day, and having some considerable experience in military matters, saw clearly that the level plain was advantageous to a cavalry action. He, therefore, cautioned Varro that it would be more advantageous to the Roman legions and their allies to move to hillier ground. This was the first day in which the opposing armies had had an opportunity to view one another from a distance.

Well, on the next day, the second day after the armies had come within sight of one another, Varro was in command. He did not agree with Paulus that the armies should be moved to higher and more hilly ground. He would have nothing to do with anything that savored of Fabius, the Delayer. Any talk of hillier ground made him all the more determined to move down on the plain.

So he decided to move the armies down on the plain behind the Hill of Cannae.

On the third day, Paulus was again in command. The two camps which had been set up opposing one another, about 2 miles apart, being on the east side of the river, Hannibal moved over on the west side and so did Paulus. But Paulus did not accept the opportunity to do battle with Hannibal.

On the fourth day, it was Varro's turn again to take the command. Shortly after sunrise, on August 2, 216 B.C., he began to move his forces out of camp and onto the field. As the Romans were drawing up their battle formation, Hannibal placed his forces into the pattern that he had designed for them.

The Numidian cavalry was stationed on the far right of the Carthaginian center. The heavy cavalry, made of Carthaginians, was stationed on the far left, near the Aufidus River. It was noticeable that the Carthaginian center was drawn forward in a curious crescent-shaped formation, with the "cusp" or convex of the crescent projecting toward the enemy. Varro in drawing up his forces, placed his allied cavalry on the Roman left and the Roman cavalry on the Roman right. Varro did not establish any wings on this occasion. He packed all of the Roman legions and the allied infantry into one dense formation, expecting that the weight of the armored legions would punch a hole a thousand yards wide right through Hannibal's center.

Hannibal stationed his Carthaginian and Libyan heavy infantry as wings to the left and to the right of the center. These Carthaginians and Libyans were his more experienced veterans, and they were equipped with swords and shields that had been taken from the Romans at Lake Trasimene.

Hannibal opened the battle proper with his Gauls and Spaniards in the crescent center—they were his swordsmen—leaving the Carthaginian and Libyan heavy infantry as reserves on both wings where they formed rectangles, flanking the projecting crescent.

Livius says that both armies pushed straight ahead. The Roman cavalry on the flank beside the river was promptly overwhelmed and defeated, and it, turned and fled.

The Numidian cavalry promptly engaged the allied cavalry on the opposite wing. Slowly but surely, the cusp of the crescent-shaped center yielded and fell back, a little more, and then a little more, until it became a straightened line, and then an indentation, and then a concave crescent.

All the while, the densely packed legions and their allies, having been deprived of the mobility which the open formation normally gave them, began to pour in, one behind another, like a stream of armor bursting through a collapsing dike. And yet, on either side of the yielding center, the Carthaginian heavy infantry stood firm. So far, the Carthaginian heavy infantry on both sides had taken no part in the battle.

The Numidian cavalry had triumphed over the allied cavalry and was pursuing the enemy wherever it scattered. All the while, the Roman and allied legions were continuing to drive in Hannibal's center.

Then a trumpet sounded and the moment had arrived. Hannibal's tactic of double envelopment of the Roman legions was complete. The two Carthaginian sides moved in. The convex center had now become a U-shaped crescent. The rectangles of heavy infantry projected beyond the U-shaped center like banks enclosing a river of moving armor. The Carthaginian heavy cavalry, which had by now completely routed the Roman cavalry and was returning, moved to the center and attacked the Roman legions from the rear. The Numidian cavalry did the same.

To complete the terrible trap, the Roman legions—this great mass of men closely packed, so close they could no longer use their weapons—found that their rear lines were being assailed. Completely encircled now, since the Gauls and the Spaniards in the collapsing crescent continued to fight on, ferociously contesting every foot of ground, the Romans and their allies were totally stricken, as the two Carthaginian sides moved in like the two sides of an enfolding vise.

On that hot August afternoon, the plain of Cannae became a slaughter field. It was the greatest defeat ever inflicted on the Romans. Plutarch and Appian tell us that 50,000 Romans were killed. Quintilian says 60,000. Polybius says 70,000. The consul Lucius Aemilius Paulus was killed. Varro, the man who was responsible for the disaster, had fled. In addition to Paulus, the 2 proconsuls, Servilius and Atilius, died; 80 Senators, two quaestors—State treasurers—29 military tribunals, over half the total of those scions of noble Roman blood died in the battle of Cannae that afternoon.

The volume of loot that the Carthaginians gathered at the Roman camp and on the field of battle was colossal—arms, armor, silver and gold, horse trappings, horses and baggage. It was said that the gold signet rings that were taken from the fingers of fallen Roman knights amounted to three bushels in weight.

Hannibal sent 10 of the Roman captives who had been taken prisoner, together with a Carthaginian noble, Carthalo, to Rome. Carthalo was to offer to ransom the prisoners taken at the Battle of Cannae.

If Hannibal had any high expectations, he was bound to be disappointed. Carthalo was not allowed to enter Rome and was told to be clear of the city's territory before nightfall. If Hannibal had hoped by his magnanimity to determine the state of Roman morale, the Roman Senate was equally determined that Hannibal should learn that there had been no weakening of morale.

Rome then showed its iron mood. The Roman Senate doubled the war tax and provided that slaves should be bought from their owners on condition of their enlistment into the Roman legions. Prisoners were to be removed from the

jails on condition that they join the Roman legions. The Senate provided that all artisans and craftsmen be conscripted into the manufacture of armaments. The Roman Senate showed its teeth.

Fabius was reinstituted as dictator, and once more he inaugurated the old Roman code. He became, again, the rock upon which Roman morale was strengthened, and was placed in charge, again, of the defense of the country. Through his policy, the Fabian policy, Hannibal would never again be given the opportunity to deal a catastrophic blow to the Roman armies such as they suffered on the field of Cannae that afternoon in August 216 B.C.

If the Romans were rash enough to engage Hannibal in battle or to accept an engagement in battle through a challenge by Hannibal, they would learn the usual bloody lesson. Such a lesson was taught in the year 209 B.C., at Herdonia, where Fulvius Centumalus, a proconsul, was encamped against the town of Herdonia, which was controlled by pro-Carthaginian Italians.

Hannibal heard of this threat and, by forced marches, came up out of Bruttium and engaged the Roman legions that were besieging the town. While his cavalry attacked the legions from the rear, Hannibal's infantry struck from the front and the flanks. The outcome was another one of those mortifying defeats which, until the end of the war, made every Roman general tremble.

Meanwhile, in 207 B.C., Hannibal's brother, Hasdrubal, was victorious over two Roman consular armies in Spain. Both armies were destroyed. The two consuls were killed, and they were both Scipios.

Hasdrubal, therefore, prepared to depart from Spain and join his brother Hannibal in Italy, because only by a junction of the two armies and a complete defeat of the Romans could the goal of the long war be achieved.

Hasdrubal crossed the Alps with his army, as had Hannibal 12 years earlier. But Hasdrubal did not encounter the same difficulties that plagued Hannibal. Hasdrubal started his journey at a different time, after the snows had melted. And he, apparently, took a pass that was distinct from the one that Hannibal had chosen, and to the north of it.

Hasdrubal descended into Italy and moved south like an ominous cloud over the land of Italy. Communications, of course, in that ancient time were so poor that Hannibal in the south, in Apulia, only had an idea that Hasdrubal should by this time be across the Alps. Hasdrubal, already in Italy, knew only that Hannibal was somewhere in Italy in the south, but he did not know exactly where. It was important, therefore, that Hasdrubal get information to Hannibal quickly as to Hasdrubal's location and a suggested rendezvous.

Hasdrubal by this time had reached Ariminum, shown as Rimini on the map, a seaport on the Adriatic coast of Italy. And it was his intention to go from here to Narnia in Umbria. He prepared a letter for delivery to Hannibal somewhere in south Italy.

Hasdrubal chose six horsemen—two Numidians and four Gauls—to carry the message through the land of Italy, which was teeming with Roman and allied troops. In this letter, Hasdrubal apparently not only indicated to Hannibal the location of the rendezvous, where the two armies were to join and fight the critical battle of Italy, but also included the information concerning his current location and the composition of his entire army.

Disaster befell the messengers. They were intercepted, and fortune took a hand. The letter was immediately transmitted to the Roman counsal in the south, Claudius Nero, and he acted with masterly speed and decisiveness. Setting out from Apulia, where his army faced off Hannibal, and leaving 30,000 Roman and allied troops under the command of Catius, a legate, Nero started under cover of night on a forced march north. Nero knew two things. Nero knew the location of Hasdrubal's army. He knew the location of the rendezvous at which Hasdrubal had hoped to meet his brother Hannibal and fuse their two armies. Nero also knew that Hannibal did not know the location of Hasdrubal or the location of the proposed rendezvous. Nero made a forced march of 7 days and arrived in the camp of his fellow consul, Marcus Livius Salinator, under cover of darkness.

Hasdrubal was unaware of the presence of two consuls until he went out with a small escort in front of the Roman lines and noticed strange horses, lean horses, more horses than before. We then sent out a small party to scour the area and to listen whether there were two bugle calls or one. It was reported back to Hasdrubal that there were three bugle calls. Hasdrubal therefore knew that his worst fears were true. There were two consuls and their armies, and the third bugle call meant that a Roman praetor, Porcius Licinus, was present with his army. Apprehensive, therefore, Hasdrubal gave orders to his troops to pack their baggage in silence, stoke the fires, and leave camp at night.

In the confusion and the disorder, unfortunately, Hasdrubal's guides were not watched carefully and they slipped away. Without the guides, Hasdrubal's army wandered aimlessly here and there. Hasdrubal ordered his men to follow the River Metaurus, but, without the guides, Hasdrubal and his army wandered blindly along the twists and turns and made little progress. He wasted a day in an effort to find a ford where he could cross the river. This gave the enemy the opportunity to overtake him.

There was a fierce battle, and both sides lost heavily. Hasdrubal's elephants caused great disorder among the Romans and forced their columns to retreat. But as the battle grew more fierce and the violence more great and the clamor louder, the elephants became disoriented and raged from one side to the other, like a ship without rudders in a storm. When they began to charge their own lines, as though they had forgotten to whom they belonged, their drivers had to kill them.

Time after time, Hasdrubal displayed great courage and encouraged his men to rally, again and again. He led them into danger with his own personal example. More than once, he turned his soldiers in flight and restored the battle which had been abandoned.

Finally, when it was no longer doubtful as to which side would be the victor, Hasdrubal spurred his horse into the Roman lines and died, died fighting in a manner worthy of his illustrious father, Hamilcar Barca, and his inimitable brother, Hannibal.

Nero, the next night, began the journey back to Apulia, and arrived at the Roman camp in southern Italy after 6 days, making the trip faster than when he had gone north.

Meanwhile, Hannibal had been unaware of the absence of Nero for 2 weeks, together with the 6,000 legionnaires and 1,000 cavalrymen that had been taken by Nero north when he joined Livius. Hannibal was unaware of the disaster that had befallen his brother until Roman cavalrymen spurred their horses up to the Carthaginian sentries at night, and tossed a dark object into their midst. When it was brought to Hannibal in his tent, he took one look and said, "I see there the fate of Carthage." It was the head of his dead brother, Hasdrubal.

Hannibal then decamped and took his remaining forces into Bruttium, the toe of Italy, the wild and mountainous area from which he had drawn most of his recruits in recent years, and where he was in possession of two small seaports, the seaport of Locri and the seaport of Croton.

Following the battle of the Metaurus, which was one of the decisive battles of the world, Hannibal's last chance and last hope of ever conquering Rome were gone. From that year of 207 B.C., to the year 203 B.C., Hannibal remained in Italy unconquered.

Meanwhile, the main theater of war had shifted to Spain where Publius Cornelius Scipio—the son of the Scipio who had been wounded in 218 B.C., at the battle of the Ticinus River—and who, incidentally, would become the conqueror of Hannibal at Zama in the year 202 B.C., and be given the surname

or agnomen, "Africanus",—was winning victories. He was, through his victories in Spain over Hannibal's brother Mago, wresting control of Spain out of the hands of the Carthaginians.

The years, meanwhile, had taken their toll on Hannibal's army. No longer did he have the brilliant officers and experienced warriors who had followed him in the early battles and who had adorned his magnificent exploits in the earlier years. His army now was virtually a different army and, in any other hands, it would not have posed a threat to Rome. But it was the dreaded name of Hannibal that continued to tie down so many thousands of Romans.

Scipio, in the year 204 B.C., moved with his legions to North Africa where he attacked Carthage, and in 203 B.C., Hannibal was recalled from Italy to Carthage to do battle with Publius Cornelius Scipio Africanus Major.

Polybius tells us that Hannibal, upon being recalled, was bitter. "So now they are recalling me," he said of his government, which "for years" had refused him "money and reinforcements." He embarked from the little seaport of Croton. Leaving Italy, he looked back upon that land in which he had fought so many bloody battles and in which he had remained unconquered for 16 turbulent years, and as it faded forever in the distance behind him, he knew in his heart that the cause for which he had suffered so long, was lost.

The historian tells us that no native ever left his native land with greater chagrin and disappointment and regret than did Hannibal in leaving the enemy country of Italy in 203 B.C.

The battle of Zama was fought in the year 202. Scipio defeated Hannibal. Hannibal's defeat can mainly be ascribed to his lack of cavalry. He had 80 elephants which became unmanageable, but inasmuch as he had little cavalry, he had to use the elephants. Polybius tells us that Hannibal did everything that a good and experienced general was supposed to do, and that the excellence of his troop dispositions could not have been surpassed.

Terms were entered into between Scipio and Hannibal, and Hannibal recommended to the Carthaginian Government that the government agree to the terms. A treaty was signed in the year 201 B.C.

Regardless of the great achievements of this master strategist and tactician, Hannibal, on the battlefield, he was never able to break the strength of the Roman Senate. If it had been any other nation than Rome, his victories would have brought that nation to its knees. Livy, the Roman historian, said, "No other nation could have suffered such a tremendous disaster and not been destroyed." In one afternoon at Cannae, there were more Romans killed than there were soldiers lost by the United States in the entire 8 years of the Vietnam war.

It was the Roman Senate that demonstrated the superb quality of stability, that led the Romans and their allies to ultimate victory. The Hannibalic war had cost Rome terribly in treasury and in men. The intrepid Carthaginian had roamed the land of Italy, burning the towns and cities, ravishing and plundering the countryside, devastating the Roman legions, exacting an awful price from Rome in treasure and in blood.

Through it all, it was the Roman Senate that led the people to victory.

Mr. President, today is the 778th anniversary of Runnymede, the Magna Carta. That charter was signed by King John in the year 1215 on June 15 in the meadow of Runnymede beside the Thames River.

This is significant because it was at Runnymede that the governed demanded that the King recognize certain rights of the governed. The barons, of course, were interested in protecting their own rights, but in doing so they also protected the rights of free men. And so they demanded of the sovereign, the executive, that he recognize his own limitations and that he also recognize their rights. They broke the tyranny of royal absolutism. The charter, in its 63 provisions, provided for a committee of nobles, of barons who would call the King to account if he failed to live up to the charter. That was the foundation, the bedrock of American constitutional representative democracy. The Magna Carta came into its full flowering in the 1600's during the Stuart Dynasty and in 1689 when William and Mary became the two joint sovereigns.

The Roman Senate had the same opportunity to exact from the sovereign (the executive) an assurance of the rights and liberties of the Roman people. For several hundred years during the early and middle Republic, it was separate from, and equal to, the executive. The Roman Senate was supreme. But it lost its nerve, and it ceded its powers. It decided that it would yield its authority to military dictators and later to the emperors. The Senate then began to recede and decline, and the (executive) became all powerful.

The speeches I have been making concern the line-item veto. With these two histories as background, the history of the Roman empire and the history of the Magna Carta, I see many Senators contemplating following the example of the Roman Senate, which lost its nerve, and ceded its powers over to an all-powerful (executive), and became subordinate to the executive.

We should follow the example of the barons at Runnymede and maintain the independence of the legislative branch, maintaining control of the purse, and protecting the liberties and the rights of the people, retaining limitations, as our constitutional forbears did, upon a chief executive. But instead of following that principle, I am afraid we are contemplating, with the line-item veto, the example of the Roman Senate, losing our nerve, shifting the power of the people, through their elected representatives, to an all-powerful executive. If we do that, Mr. President, then we, the Senators and Representatives of today, will be held accountable by our children and our children's children, just as history held the Roman Senate accountable, in the final analysis, for the decline of Rome.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator has expired.

Under the previous order, the Senator from Iowa [Mr. HARKIN], or his designee, is recognized to speak for up to an hour.

Mr. HARKIN. Mr. President, basically, a number of Senators want to take this time on the floor to talk about the present negotiations underway on the reconciliation bill and to offer their own personal observations and insights into the direction that this reconciliation bill seems to be taking, and perhaps some directions it ought to be taking.

In that vein, I yield to my good friend, the distinguished Senator from the State of Maryland [Ms. MIKULSKI].

The PRESIDING OFFICER. The Senator from Maryland is recognized.

BUDGET RECONCILIATION

Ms. MIKULSKI. Mr. President, I rise today to express my very deep concern about what is going on in terms of budget reconciliation. I rise to express my very deep concern about the proposed additional cuts in Medicare and in Medicaid.

I am deeply concerned about the obverse effects this will have on senior citizens and the people and institutions that care for them, as well as that these deep cuts will preclude us from doing health insurance in a rational, substantive, sustained, and compassionate basis.

This is a sad day for me to come before the U.S. Senate to fight for Medicare. Mr. President, 25 years ago, I worked on the war on poverty, and I was proud to do that with my shiny master's degree in social work, with a major in community organization and social strategy, based on how one organizes people for self-help. I stepped forward for my first job to help the elderly know what their medical and other health benefits would be under Medicare. It was a brand new program coming before the United States of America that balanced our core values of self-sufficiency, private sector responsibility, and at the same time making sure that we provided health care.

Under Medicare, what we said was: No to socialized medicine. We did not want comrade care in the United States of America, but we knew private

sector care alone was failing the elderly. So the genius of the Johnson administration stepped forward and invented Medicare and Medicaid, and they were to be the building blocks to lead to national health insurance reform.

Twenty-five years later, we have seen the assassination of gallant leaders, and we have seen the assassination of a program. What I will not do is let Medicare come to a demise and ruin under a Democratic President and under a Democratic-controlled Congress.

Today, we come to a new form of barricades. I used to protest against the Government. Now I am inside the Government. I have turned in my picket signs and picked up the tool of amendments. But I want this Congress, this party, this President to know that if they make deep cuts in Medicare, they will meet a resistance movement. Why do I say that? Medicare has already been cut under Reagan and Bush. It has been severely cut under Reagan and Bush. The elderly are already paying $3,000 of out-of-pocket expenses. They are paying what families now pay for regular health insurance, and that is all under Medicare premiums, and it is all under something called supplemental health insurance.

Mr. President, what do the elderly get for their money? They get a grudging attitude toward them. We regard them as if somehow or another this is a charity situation. There is nothing charitable about it. It is the right thing to do. Looking at another cultural heritage, the Jewish community, they have a phrase called seducca; that is, you help your fellow man or woman not because it makes you feel good and is being charitable—that is for the pharisees—but Republicans and Democrats should do it because it is the right thing to do.

What are the consequences of what is being talked about? What are the consequences, first, to the institutions and then to the people who care for the elderly? If you make these cuts, then we will have a severe impact on two institutions: one, the community-based hospitals in rural and urban America that serve the elderly. Whether they are called Sinai Hospital, or whether they are called Mercy Hospital, they have always had an open door to the elderly, to the misfortunate, and to all who, no matter how sick they are, have found a home. Every time you cut them, you are hurting them because they are already the same institutions that care for the uninsured. So this is going to be a double punch.

The academic institutions, usually located in urban areas, again, face this, and when you cut them, you not only cut care, you cut their ability to do research and train the physicians to treat the elderly.

I am going to talk about the doctors and nurses. It is very fashionable to kind of talk about how doctors have been gilding their stephoscopes. I reject that notion, particularly for the Medicare doctors. I love my mother, and just listening to my mother every day one gets a sense of what it would be like to take her medical history. It is complicated and anecdotal. It takes time, patience, skill, and it takes resources; and you cannot do that when you cut Medicare.

The very process of serving the elderly means you have to listen carefully. You have to listen with the professional ear and the third ear to know exactly what they are saying. Most of the physicians I know are familiar with Medicare in my ethnic neighborhoods. It is a Euro-ethnic neighborhood, but I know the African-American physicians are doing the same thing. They make home visits. In my neighborhood, Medicare "docs" make home visits to follow up on the homebound patient who cannot get out. Boy, just what we need to do. They are already getting "skipping" payment with reimbursement that comes in often too late and not compensating their time.

What are we doing to the doctors and nurses and to the nurse practitioners, and what does all that mean? It means that the elderly might not have a place to go because those rural and urban hospitals could close because those doctors are going to say: Not me, I am going to fold up my tent; I am going to go off and be a specialist—maybe in ear, nose and throat, or maybe I will specialize in the left year.

And they can kind of Gucci themselves up, because we pay for the wrong things and the wrong approaches.

Mr. President, that is not what Medicare was supposed to be.

Now, they are also at the point where our President has said the most defining thing in his administration will be what he does in health insurance reform. The First Lady has led a brilliant and comprehensive approach analyzing these issues. If we take these cuts now, it will preclude us from having the resources to proceed in a rational, comprehensive, compassionate way to reform health insurance. And it will be a Democratically controlled Congress that would close the door on comprehensive health insurance reform.

Well, I am for cutting the deficit, and we know that cutting the deficit is in reforming entitlements. The most important way we can reform entitlements is not with swashbuckling cuts, but with a rational, comprehensive health insurance reform.

We are 7 years from the year 2000, 7 years before a new millennium comes. A new economy is being born in the United States of America. But I think we cannot forsake, as we pursue a new economy, our traditional values. De Tocqueville said what makes American great is individualism, self-sufficiency, and entrepreneurship. That can be wild and there can be greed, but it is tempered with, he said, Americans practicing the habits of the heart where they recognize that neighbor needs to help neighbor. There is shared sacrifice.

There is nothing shared about sacrifices that are being discussed in the Finance Committee. I want to go on record today that if they stick it to the good-guy docs, they stick it to the hospitals, they stick it to the elderly, that we are going to stick it right back.

Mr. President, I yield my time.

The PRESIDING OFFICER. The Senator yields her time.

Mr. HARKIN. Mr. President, I thank the Senator from Maryland for starting this 1 hour of debate, I think, on a correct note; and that is that we just cannot continue to let them erode what we have fought so hard for so long to do. That was to ensure, at least, the elderly do not have to face the prospect of going to the poorhouse, going to charity for services; they would be secure in their own homes, with the knowledge that their health care needs would be taken care of through a contributory program called Medicare.

So I thank the Senator from Maryland for her intelligence, her insight, and certainly her passion on behalf of middle-class Americans.

Mr. President, I yield as much time as he needs to the distinguished Senator from Minnesota [Mr. WELLSTONE].

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Thank you, Mr. President. I am going to try and keep my comments brief, because I believe there are seven Senators who want to speak within this next hour. I think the number of Senators who have come to the floor this morning to express their concern about the reconciliation bill is significant.

Mr. President, when I first started talking to Senator HARKIN from Iowa about the need for us to get a letter together and to get Senators to sign this letter, I was concerned about the cuts being considered by the Finance Committee, not just in Medicare, but in Medicaid.

Last week, when we first began to bring people together, we were hearing about a proposal to cut Medicaid benefits, which as a matter of fact would be a cut of benefits both to the poorest of poor people in the United States of America, in rural and urban communities, but also to providers who are trying to serve those people in our country that are most vulnerable.

I understand that is reportedly off the table now, and for that I am grateful. I would say to my colleagues here on the floor, I think that it is an example of what happens when we speak up for what we believe in, and I think it is very important for us to speak up now in opposition to further unfair spending cuts.

I am concerned, Mr. President, about a proposal that would cut anywhere

from $20 billion to maybe $35 billion more in Medicare. This is on top of the House reconciliation bill that calls for $55 billion in Medicare cuts.

There are a lot of older Americans, a lot of senior citizens, who have said: We cannot accept those cuts. They have said, We understand that we are at a point in time in the country where people have to step up to the plate and there has to be shared sacrifice, but this goes too far. When we go beyond the House-passed proposal and an additional $20 to $35 billion more cuts in Medicare, I just simply want to say that I think there are going to be a whole host of serious problems.

One of those problems is not new. We have seen it with Medicaid and we are beginning to see it with Medicare, whereby if reimbursements are cut to providers and providers simply cannot provide the care, then they are going to charge more. And elderly poor people are not going to be able to afford that.

Mr. President, there was a book written, "America: What Went Wrong," by Donald Bartlett and James Steel. They won a Pulitzer Prize for work as investigative reporters. I would like to point out two graphics in this book:

> Chapter 1, Dismantle the Middle-Class. Increases in salaries during the decade of the eighties. Total salaries of people earning more than $1 million, a 1,184-percent increase; increase in total salaries of people earning $200,000 to $1 million, 697 percent increase; increase in total salaries of people earning $20,000 to $50,000, middle-income Americans, altogether through the whole decade, 44 percent.

I would simply like to join with my colleagues, and I just simply echo the remarks of Senator MIKULSKI from Maryland and make the point that we cannot require yet more cuts from low- and moderate-income Americans, those that clearly did not benefit from this big party in the 1980's, while the well-endowed special interests slither away unscathed. That is not what the people elected us to do in the U.S. Senate.

I want to also point out, Mr. President, that cuts in Medicare benefits—even if we try to get away with this argument, and I do not think it is a credible argument, that we will not cut directly the recipients, we will simply cut into the reimbursement for the providers—yields to the same irrational cost shifting which clearly, Senator HARKIN, coming from a State like Iowa, knows all about, whereby the providers will shift those charges to private employer-paid plans.

So when all of us go in, we pay $20 for a Tylenol tablet, or whatever. That is to cover the cost of Medicaid recipients—soon to be Medicare, on the present course—in funds that hospitals and providers have to shift.

Mr. President, I want to be very clear about this. We are supposed to represent people well in our States. I have been hearing from people who usually do not get heard from. I am talking about people who are vulnerable. I am talking about people who do not have the clout. I am talking about the truly needy. I am not talking about the oil and gas interests. I am not talking about well-endowed special interests that are going to slither away unscathed if we do not change the course of the way we are going.

I will cite a couple of examples. Redwood Falls Municipal Hospital in Redwood Falls, MN, and Community Memorial Hospital in Winona, have told me recently in a letter that fully 65 percent of their income comes from Medicare and Medicaid. Medicare right now is paying 69 cents on the dollar, and Medicaid is paying 49 cents on the dollar. This is the shortfall that they are now faced with. The Winona Hospital passed along to me a story of a Knight-Ridder reporter who fell ill at the Republican National Convention in Houston—not because he attended the convention—ended up in a hospital for 2 days, and found himself faced with a $6,000 bill. The hospital admitted to this reporter that he was not just paying for his own care; he was paying for their costs of Medicare and Medicaid and the uninsured.

That is the direction that we are going in. And, Mr. President, rural hospitals in Minnesota, Iowa, Wisconsin, and California have already taken a hit, and they are making the case that while their payments are going down, their costs are not going down. And I agree with the Senator from Maryland. It is patently unfair to talk about people in the health care profession, who are trying to serve people now in underserved areas, and argue they are just greedy when they make this case. James Schulte, the administrator at Redwood Falls Hospital in Minnesota says, in a letter I received recently:

> There is nothing left to squeeze out of the margin.
>
> We will be forced to drop our community service programs that are designed to help our community residents stay healthy; programs that everyone touts, but no one wants to pay for.

Mr. President, by way of conclusion, if the choice is between letting well-endowed special interests slither away; if we are not going to look at what Senator BRADLEY has identified as major tax loopholes—it is my understanding the oil industry, even after killing the Btu tax, is still getting a special $2 billion tax break. If we are not going to go after those loopholes, egregious loopholes, then it will simply be impossible for me, as a U.S. Senator, unless there are some changes, to support a reconciliation bill. I think that we are in the process of negotiation. I expect to see some of those changes. I will not make a final decision until I see the bill. But I do not like the direction in which we appear to be heading now.

I am not going to just be silent and see proposed cuts in rural hospitals, proposed cuts in the elderly, proposed cuts in low-income programs, while well-financed, well-healed special interests just slither away.

That is not the best of representative democracy. I think all of us look forward to a process of negotiation, and this has nothing to do with right, with left, or with center. This has to do with the standards of fairness the people of this country believe in. I urge my colleagues to consider carefully these issues as you assess the reconciliation bill that will soon come to the Senate floor.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. I thank the Senator from Minnesota. He is right on target.

I will just add to what the Senator said. If you continue, as the Senator said, cutting the Medicare reimbursements, then what happens is that in areas of the country that have more elderly—for example, in some of our rural areas, Iowa, Wisconsin, places like that—what happens is those hospitals, in order to endure, or the doctors, what they do is they shift the cost to small businesses, farmers, middle-income people, young workers, so then it becomes a hidden tax on those people. So you are not getting by with anything. What you are doing is burdening the middle class with even more taxes.

What we tried to point out in our letter last week is that by cutting more into Medicare, you are not saving any money, you are just shifting more taxes onto the middle class of America, and that is not what the Senator from Minnesota wants and that is not what this Senator wants either.

So I appreciate his insight into this, and I appreciate his comments and his support.

UNANIMOUS-CONSENT AGREEMENT—AMENDMENT NO. 366

Mr. HARKIN. Mr. President, I ask unanimous consent that the time from 2:15 p.m. to 2:30 p.m. today be for debate on the motion to invoke cloture on the Mitchell-Ford-Boren amendment numbered 366 with the time equally divided and controlled between the two leaders or their designees.

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

Mr. HARKIN. Mr. President, I yield 10 minutes to the distinguished Senator from Illinois [Ms. MOSELEY-BRAUN].

THE PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Ms. MOSELEY-BRAUN. Thank you very much, Mr. President.

THE BUDGET RECONCILIATION NEGOTIATIONS

Ms. MOSELEY-BRAUN. Mr. President, to take you from the distinguished Senator from Iowa, my neighbor State, I would like to talk a little bit about the reconciliation bill and the challenge that we are all in this body faced with in addressing that bill.

Mr. President, the Senate will soon have to face our deficit problem by acting on a reconciliation bill. The issue before the Senate will not be how much deficit reduction to undertake. That much was already decided when the Senate adopted the budget resolution that contained the reconciliation instructions. In that resolution, we committed to reducing our deficits by a total of over $500 billion over the next 5 years—and I have not heard any comments suggesting that we should retreat from that goal. And if anything that commitment is one about which there is consensus in this body.

There are those, however, who seem eager to change the economic plan outlined in the budget resolution in another major way—by substituting cuts in Medicare and other human services programs for at least part of the energy taxes assumed in the resolution we passed 2 months ago.

I am not here this morning to make a case for a broad-based energy tax—or for any other tax, for that matter. But I strongly believe we should stay with the budget outline that this body has already adopted.

There are those who say that entitlements are out of control, that they should be capped, or at least that they should be cut in the reconciliation bill.

Unfortunately, that is the kind of idea that only sounds good if you say it very fast. If you look at the facts, it simply does not make sense.

First of all, it is worth noting that entitlements, and in particular, Medicare and Medicaid, are already being cut in the reconciliation bill. The House-passed bill contains $56 billion in cuts, and that figure does not include the additional $32 billion in savings in the Social Security Program, and the additional $29 billion in additional revenue for Medicare from eliminating the cap on Medicare taxes.

In short, there is no way to argue that the elderly and the working poor are not already making a real contribution to deficit reduction. They are doing their share, and the House-passed version makes that very clear.

Ordinary Americans, and disadvantaged Americans, have, in fact, been the primary victims of the past dozen years worth of Federal budgets. It is not the time to ask them for yet more sacrifices.

Second, it is worth remembering that attempting to solve our budget problems by going after Medicare and Medicaid simply will not work. This strategy has been tried over and over in the past.

There have been cuts and revisions and more cuts and more revisions in the Medicare and Medicaid Program to the point now that I do not think anybody finds the rules anything less than incomprehensible. It is impossible to understand what has happened because the program has been jury-rigged so many times over the last 12 years in an attempt to cut and to put in cuts and cutbacks.

And yet, the numbers show us that the cost of Medicare has increased over 14 percent per year over the last 2 years and Medicaid has increased by roughly 30 percent per year over that period.

In short, Mr. President, the strategy failed miserably, in large part because the reality overwhelmed the demagogues and the policymakers' fantasies about what was going on with Medicare and Medicaid spending. And that kind of bankrupt idea that undergirded the cuts and the cutbacks that we have seen over the last 12 years should not be revived now.

The reason that those attempts, those cuts and cutbacks, failed is unfortunately very simple. Overall health care costs have been rising rapidly. Health care already takes up over 14 percent of our gross domestic product, and will be well over 18 percent of GDP by the turn of the century unless we act now.

What that means is that attempts to slow the growth of the Federal part of health care costs could not possibly succeed because nothing was being done to slow the overall growth of health care costs in this country.

You cannot just cure one part without curing the whole in an area as complex and expensive as health care costs.

And that brings me to the final reason why it is so unwise to try to make further reductions in Medicare and Medicaid now—it will make it more difficult to act sensibly on the comprehensive health care reform proposals that should be coming shortly after we finish with the reconciliation bill.

If Senators really want effective deficit reduction—if the Senate wants to see major changes in the rate of growth of entitlement costs—then the place to act is comprehensive health care reform, where we can be sure we are really reducing costs instead of just shifting them.

So I submit, Mr. President, if anything, the attempt to cut and cut back and to go back to antiquated, outdated, and failed strategies in the context of this reconciliation bill will just make it harder for us to do what we need to do in terms of long-term health care reform.

Mr. President, every American should have access to decent health care. And I think we can accomplish that objective while saving our overall economy money and while saving the Federal Government money on health care programs. The time for that debate, however, is not in the reconciliation bill. It is in the health care reform bill.

Our responsibility now is not to make that reform process more difficult, and that means we should stay with the budget outline that we have already agreed to.

Health care reform legislation will be, in effect, a second deficit reduction bill. Its long-term impacts could be even greater than the reconciliation bill we will consider very shortly on the floor. We must, therefore, avoid taking actions in the reconciliation bill that make enactment of health care reform more difficult.

Finally, it is worth keeping a few basic facts in mind as we consider what we are going to do on the reconciliation bill. There has been a lot of rhetoric regarding the huge new tax burden the Clinton plan imposes. It is supposedly overwhelmingly tilted toward taxes rather than spending reductions.

The fact is, however, that if the Clinton plan is given a chance to work, Federal revenues should increase from 18.6 percent of our gross domestic product [GDP] in fiscal 1993 to 19.7 percent of GDP in fiscal 1998.

Stated another way, overall Federal revenues should increase by roughly 6 percent.

Spending actually falls to 22.4 percent of GDP in fiscal 1997, but heads back up in fiscal 1998, mainly because the projections for the Clinton plan do not include any action on health care reform.

And so you see if we achieve such health care reform we will achieve a second deficit reduction, we will achieve a second cutback, a second diminution in Federal spending over this period of time. And I think the facts must be kept in mind as we address these issues.

We need to act on the reconciliation legislation. We must act on health care reform. I urge my colleagues to do what we agreed to do over 2 months ago, to stay within the basic outline of the economic program contained in the budget resolution. Trying to change that outline now—and that is just what is going on—jeopardizes our credibility and makes it more difficult to achieve early action on both reconciliation and comprehensive health care reform.

The PRESIDING OFFICER. The time of the Senator has expired.

Ms. MOSELEY-BRAUN. I ask unanimous consent for an additional minute and a half?

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

Ms. MOSELEY-BRAUN. Mr. President, I urge my colleagues to remember an old adage, and that is that good government is good politics.

It seems to me this is a time to put good government ahead of knee-jerk politics, to put good government ahead

of the headlines and the demagoguery that goes on in the public sphere; that we focus in on reality, on the facts, on the numbers as we know them; that we take our responsibilities as the elected representatives of the people seriously and not engage in a knee-jerk response which will shift the burden to working people, ordinary citizens, middle-class people, and the poor any more than they have already been burdened.

I think we have an obligation. We have an obligation to make certain the reconciliation is fair, that this budget process is fair to all Americans, and to see that the one group that is the least able to carry the burden not bear a disproportionate share of our attempt to address reconciliation in this body.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the distinguished Senator from Illinois. I just want to back up with a chart what the distinguished Senator said about the distribution of the revenues in the reconciliation bill. This chart clearly shows it.

Under the bill as passed by the House, this purple sector is 66 percent. That comes from people with incomes over $200,000 a year. This red sector, that is 9 percent of the share, that comes from people with incomes of $100,000 to $200,000 a year. So fully 75 percent of the revenues raised come from individuals making over $100,000 a year, and less than 25 percent from those under that. And mostly, 20 percent of what is remaining, comes from people making from $50,000 to $100,000 a year.

While we may differ in exactly how those taxes are to be assessed, the progressivity of this ought not to be violated. In other words, whatever the Finance Committee comes out with, again, I think we are all pretty united in saying we do not want any further cuts in Medicare or Medicaid. We have to keep in mind we do not want to lessen the burden on the upper income, those who made a lot of money during the 1980's. But they ought to pay their fair share also. I just wanted to back up with that chart what the distinguished Senator said about the progressivity of the revenues in the reconciliation bill.

I thank her for her contribution and yield up to 10 minutes to the distinguished Senator from Illinois, my dear friend and colleague, Senator SIMON.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 10 minutes.

Mr. SIMON. Mr. President, I thank my colleague from Iowa. I will try to use less than 10 minutes.

I thought the chart my colleague just showed was significant. The whole purpose of our tax structure, the income taxes, was to get some equity in taxation. I hate to see us move away from that kind of equity.

My distinguished colleague from Illinois will recognize these names I just mentioned. When we move on Medicaid—and the average hospital gets 10 percent of its income from Medicaid but those that serve in poorer areas receive much more—how much is that going to cost Cook County Hospital? Cook County Hospital, which Senator MOSELEY-BRAUN is very familiar with, a public hospital serving primarily the poorer people in Cook County, they lose $31,290,000. That is a devastating blow to that hospital.

Let us talk about private hospitals: Mount Sinai, $6,427,000. Or Memorial Hospital, in Carbondale, IL, down in southern Illinois, where we have an above-average number of poor people. Memorial Hospital in Carbondale, $2,732,000; St. Mary's Hospital in Centralia, $490,000. I could go on with others.

We are talking about very, very harsh blows.

The average hospital gets 40 percent of its income from Medicare. What happens when we cut back on Medicare? First, we hurt senior citizens; second, we hurt particularly hospitals in poorer areas because they compound the Medicaid/Medicare problem.

In Illinois, since 1985, we have had 22 hospitals close. Where have they closed? Primarily in the poorer areas: Cairo, IL; St. Anne's, on the west side of Chicago. We are hurting the very people that we ought to be here defending.

One of my heroes, one of the heroes of Senator MOSELEY-BRAUN, was Paul Douglas, a great U.S. Senator. Senator WELLSTONE and I had a kind of philosophical discussion on the floor last week about why we are serving, what we are supposed to be doing here. Paul Douglas used to say to me, "the rich and the powerful basically can take care of themselves. You look out for the people who are really struggling in our society and then you are going to have Government doing what it ought to do." I believe that. I do not think, if we move in the direction we are talking about, we are going to be doing that in this bill.

We ought to do better. Why can we not, for example, take BILL BRADLEY's suggestion to move that corporate income tax up 1 percent? That is not going to hurt anybody.

Or, let us look at something—I am not suggesting that everybody here is going to agree with me—but we passed the indexing on the income tax rates without a single hearing in the House or Senate. It was an amendment just thrown in at the last minute here. And, interestingly, Arthur Burns—no wild-eyed liberal—warned us against indexing income tax rates. They warned us against it because if we have an inflation—and at some point in the future of this Nation we are likely to—that aggravates inflation.

What would happen if, on the income tax, we would suspend indexing for 1 year: 1994? In 5 years, the savings would be $37.5 billion. And that is on an income tax where it is equitable to people.

What if we were just to suspend indexing altogether, which I think most economists would agree makes sense, plus it would mean those of us who can afford to pay, pay a little more and those who are the poorest and the struggling in our society, we do not pound on them? If we were to suspend it in this 5-year period it would raise $112 billion in additional income.

I think there are alternatives to saying on the floor of this body, and through our votes, we face financial problems. There is no question about that. We have to reduce the deficit, and there is no question about that. And to the credit of Bill Clinton, who has taken a lot of bumps these days, he is saying let us face up to this problem which both political parties have ducked the last 12 years.

Let us face up to our economic problems, but let us not face up to our economic problems by putting the burden of this on the backs of those who can least afford it in our country.

I commend my colleague for his leadership here and I am pleased to join in this discussion.

Mr. HARKIN. I thank the Senator from Illinois. If I might just sort of expound on one point he made on the corporate rate, 10 years ago the corporate rate was 47 percent. We reduced it by 25 percent, cut it by 25 percent in the mid-eighties, down to 34 percent. Now we are quibbling whether we raise it 1 or 2 percent.

I want everyone to know it is nowhere near what it was even 10 years ago. We are back in the 1970's where, quite frankly, corporations were doing quite well, thank you.

As the Senator pointed out, for every 1 percent we raise, we get about another $16 billion of revenue. I think we ought to be taking a very hard look at that.

I thank the Senator from Michigan.

Mr. SIMON. I thank my colleague and I add, he and I voted against that 1981 tax bill which caused most of the problems that we have had. I am pleased to say I also voted against that 1986 tax bill which compounded the problem even more.

We have to get back to equitable taxation. We do not need to have people say, "Well, this tax is going to hurt this industry," like the Btu tax will hurt farmers and others. There is a simple way of getting away from a lot of these taxes and that is to go back to greater reliance on the income tax. I think that is a fair way to do it.

Mr. HARKIN. In a progressive manner.

Mr. SIMON. In a progressive manner.

Mr. HARKIN. I thank the Senator. I was proud to stand with him both in 1981 and 1986.

Mr. SIMON. I thank my colleague, and I yield the floor.

Mr. HARKIN. I yield up to 10 minutes to the distinguished Senator from California [Mrs. BOXER].

The PRESIDING OFFICER. The Senator from California [Mrs. BOXER] is recognized for up to 10 minutes.

A SOUND ECONOMIC FUTURE

Mrs. BOXER. Mr. President, I want to thank the Senator from Iowa for organizing this presentation this morning and my colleagues who have added so well to the debate in which we find ourselves.

It is of crucial importance to the economy of our country that we pass the next step of our budget, which is the reconciliation bill. The plan that has been suggested by President Clinton was carefully thought through and I believe sets us basically on the path to a sound economic future. His plan, of course, includes many spending cuts, but not deep cuts in Medicare. His plan includes revenues that come from the wealthiest among us and investments that will make us competitive.

Of course, Mr. President, no plan is without controversy. There is always controversy when you attack long-festering problems in the economy, such as the massive deficits of the eighties coupled with the neglect of so many of our social problems and a military budget that must be streamlined to meet the new and different threats that we face in the post-cold-war era.

I think the Clinton plan can be improved and should be improved, but let us be careful as we try to improve it. I think Senator BRADLEY has come up with a good way to improve it. He suggests that we eliminate tax loopholes rather than cut programs like Medicare and Medicaid which help the elderly and the poor. There are many other ideas that are sound as well. As long as the basic deficit reduction goals, and the new investment goals, and the goals to cut needless spending are attained, I think we will move our Nation forward.

I want to address today, in addition to my concern over the discussion of deeper cuts in Medicare, is the Republican chorus to do all of the deficit reduction through spending cuts. That is what they want. They say, "Cut spending first." I have heard that 50 times at least on this Senate floor. I have heard it on TV and I have read it in the papers. There is even a postcard campaign to my office, thousands of cards: Cut spending first.

So I am willing to look at that option. I ask my Republican friends how? They do not have any specifics. The only thing they can say is cut spending first. They want no new taxes. They do not want to touch military spending, of course, and they are not very interested in touching Medicare or Social Security.

So let us assume we did what the Republicans are asking and eliminated all domestic discretionary programs. That is what they have basically said. They would cut education, health, science, technology, the Women, Infants and Children Program, veterans' program, transportation, agriculture, environmental cleanup, national parks, small business, and community development programs. What kind of country would we have? What kind of future would our children have, and how could we compete with our economic competitors in the world?

Now I ask another question: What would happen to jobs? Let us look at that. Let us look at what would happen to the job situation in America, Mr. President, if we decided to throw out those taxes on the wealthiest among us, which are in the Clinton plan, and instead substituted those increased taxes with more cuts in spending, which is what the Republicans are asking for day after day.

I asked that question of the experts and this is the answer they came back with: There would be roughly 210,000 fewer jobs in America by 1996. That is from the Wharton Econometrics Forecasting Associates [WEFA] Group, a prominent, respected group of economic analysts. They computed the effect of a decrease in nondefense spending that is of the same magnitude as the increased income tax on the wealthy and they found out what I said: There would be roughly 210,000 fewer jobs by 1996 and real gross domestic product would be down by $8 billion. Now that is a Republican recipe for economic disaster. But that is what would happen.

We have just come out of a long economic nightmare. Let us not go back into it again. So let us get beyond the popular speeches of the moment and do what we were sent here to do: Take courageous but correct action to get our nation on the right economic course. A course of lower deficits and job growth and new investments and cuts in unneeded spending. That is unnecessary spending, not spending on programs such as Medicare, which are needed.

I say we have three choices:

One, we have the do-nothing option. That would lead us to deficits in excess of $600 million in 10 years from where we stand today at almost $300 billion.

Choice two: To only cut spending—that is the option of the Republicans. No tax increases on the wealthy. That would mean 210,000 fewer jobs at a time when we need to be creating more jobs, and an $8 billion decrease in the gross domestic product when we need economic growth.

Then there is choice 3: The basic Clinton option which presents us with a carefully crafted, balanced plan that seeks to be fair by putting forward a mix of spending cuts, taxes on the wealthiest among us and new investments so we can compete in the global economy.

I want to point out one last thing. My colleagues on the other side of the aisle, my Republican colleagues, get very upset when the wealthiest Americans are asked to pay their fair share. My God, they just get irritated at that thought. They warn middle-class America. They say: "Middle-class America, the Democrats are really going after you." They warn us that the sky is going to fall.

I hope the disaster of the eighties taught us a lesson and we can get beyond that phony argument. In the eighties the argument was made if we give tax breaks to the wealthiest, we will prosper. Well, we did not prosper. The millionaires saved millions and, unlike the predictions, they did not invest in our economy. Trickle down did not work. It made the deficit grow in a gargantuan way, and it made those at the top multimillionaires and even billionaires.

Trickle-down economics, that is, not having the super rich pay their fair share, has cost this country dearly. And, those same voices are out there again protecting those whose incomes went up 115 percent in the past decade from $314,000 in 1977 to $675,000 in 1992, a 115-percent increase in income to the wealthiest among us. And still the Republicans in this Chamber cry bitter tears at the thought that we might have an upper rate or put a surcharge on the millionaires and the billionaires.

I say that trickle-down economics is the biggest con job since Tom Sawyer talked Huck Finn into painting that white picket fence. He said, "Huck, you'll have fun painting that fence. Huck, you'll love it," and Tom Sawyer went off, let Huck Finn do all the work and Tom Sawyer did not have to do any work.

In the eighties, the millionaires only had to live off of their tax breaks. They had a party while everyone else worked harder and longer and barely made progress and the deficit grew and grew. So the millionaires were the Tom Sawyers and everybody else was Huck Finn. I hope those days are over, Mr. President. I only want every American to pay his or her fair share. I only want the American dream to be within reach of all our people.

My home State of California is the largest State in the Union, 31 million people, and we are suffering with very high unemployment, more than a million people out of work. My State's recovery depends on an economic plan that is solid and forward looking. A plan that recognizes the need to invest in our high-technology future. A plan that recognizes the need to keep our children and our elderly healthy. A plan that recognizes that we must educate our children and be able to compete in the world. We are counting on such a plan. We are not counting on deeper cuts in Medicare, Mr. President.

Let us move on with it, let us make constructive changes, but let us move forward now. I yield back my time.

Mr. President, I ask unanimous consent that the statement by the WEFA Group be printed in the RECORD.

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

JUNE 15, 1993.

REDUCING THE BUDGET DEFICIT WITH MORE RELIANCE ON SPENDING CUTS WOULD COST JOBS

A recent WEFA Group analysis shows that if the Clinton plan's personal tax increases on the wealthy over the period 1993 to 1997 were scrapped, and cuts in nondefense spending of the same magnitude were substituted, U.S. economic growth would be weaker and more jobs would be lost. By 1996, the level of real GDP would be about $8 billion lower, and the number of workers on non-agricultural payrolls would be about 200,000 lower.

WEFA Group is a leading econometric modeling and economic forecasting firm based in Bala Cynwyd, PA. Founded in 1963 by 1980 Economics Nobel Prize winner Lawrence Klein, the firm employs about 300 economists, working in offices in Bala Cynwyd, Washington, London, Frankfurt, Toronto, Mexico City, Paris, Milan, and other cities around the world.

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

EXTENSION OF MORNING BUSINESS

Mr. HARKIN. Mr. President, earlier I had not objected to a request by the distinguished President pro tempore of the Senate for an additional 10 minutes. Because we got started late and we have a certain number of people who want to speak, Mr. President, I ask unanimous consent that we allow an additional 30 minutes.

The PRESIDING OFFICER. The Chair asks, the Senator from Iowa is thereby intending to extend morning business by that amount?

Mr. HARKIN. That is correct.

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

Mr. HARKIN. Mr. President, again I thank the distinguished Senator from California for a very honest and straightforward presentation. She is absolutely right. I know everyone talks about cutting spending. There is a lot of wasteful spending we can cut around here, but I do not hear anyone talk about cutting Star Wars even though the Soviet Union no longer exists. I do not hear much talk about cutting the super collider, the space station. How about the Intelligence Committee budget that is higher this year than it was last year? We do not hear any talk about that. Let us throw that on the table.

And then we talk about some of the tax loopholes. I see the distinguished Senator from Ohio here who compiled a list of 120 different tax expenditures. I was looking at the list. I am sure he will talk about it in his time. But I noted over $5 billion that have seeped back into the Tax Code since the 1986 Tax Act that benefited only the oil and gas companies. Well, maybe we ought to take a look at that, too.

So when we are talking about cutting spending, let us look at the overall deficit, because that is what we are talking about bringing down, the overall deficit, not just that part that contributes to the deficit from entitlement spending for Medicare or Medicaid.

I thank the Senator from California.

I yield 10 minutes to the distinguished Senator from Wisconsin [Mr. FEINGOLD].

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. FEINGOLD].

Mr. FEINGOLD. I thank the Chair.

MOVEMENT FROM THE PRESIDENT'S PLAN

Mr. FEINGOLD. I compliment the Senator from Iowa for his leadership in articulating the concerns of a group of Senators about the movement of the Senate apparently away from President Clinton's reconciliation proposal. It was also the Senator from Iowa who helped put together a letter from 11 Democratic Senators last Friday that pointed out that not everyone in the Senate was necessarily happy with the idea of moving away from the fairness of the President's plan.

The Senator from Iowa has long been a leader on behalf of the interests of the average American, folks who pay taxes and work hard and who obviously hope for a better future for their children. Of course, I am delighted to be out here with other Members of this group, the Senator from Maryland, the Senator from California, the Senator from Minnesota, the Senator from Ohio, and two Senators from Illinois. All of us are very concerned about what we have been reading and hearing about what might be happening in the Finance Committee.

The past decade represented an era where the burdens were shifted onto the backs of middle-class Americans. As we all know, the wealthy saw their taxes go down while the Federal deficit went up.

The previous administrations handed out tax breaks like sugar-coated candy and promised more tax cuts and trickle-down economics. I have no doubt that if George Bush had been reelected, we would be seeing more sugar-coated candy coming from the White House instead of the tough medicine that this President has offered in his deficit reduction bill.

What the American people got from those economic policies of the last 12 years were staggering annual deficits, which, as we all know, led to a $4 trillion national debt, a massive Federal debt that has undermined our economic security and mortgaged our futures and has mortgaged our children's future and our grandchildren's future.

Now, you have heard everyone say that phrase, every candidate in America. It is almost like a mantra: Our children's future and our grandchildren's future. But that repetition does not take away from the fact that moving from under $1 trillion in debt in 1980 to over $4 trillion in 1992 is one of the most shocking and unnecessary tragedies of our time.

Last November, the American people asked for a change of direction. They knew that America stood at a crossroads and we would have to make a choice. The choice would be whether we would stand by and continue to watch economic stagnation and an ever-growing national debt or whether we would work to rebuild and restore our economy, reduce the annual deficit and the Federal debt over time, and, very importantly to all of us who are standing out here today, to do so in a fair and progressive manner.

It does make a difference how you do deficit reduction. Deficit reduction is terribly important. But how you do it is important, too. That is what we are here to talk about today. The American people made the choice. They rejected the failed policies of the Bush administration and the continuation of the self-indulgent credit card mentality, the spend now and don't worry about it attitude. That was the attitude that had dominated our national leadership for over a decade.

The American people voted for economic change, for responsible Government and, yes, for deficit reduction. As a candidate for the Senate in 1992, I can tell you that in Wisconsin, all over the place, it did not matter where you were—Superior, Milwaukee, Mineral Point, it did not matter—you heard the same thing over and over again. Deficit reduction was the overriding concern, and that is what the people of Wisconsin told me on this last recess, that is what they tell me every time I am home.

On February 17, President Clinton responded to that call for change. He submitted the most ambitious deficit reduction proposal many think ever presented by a President. In his State of the Union speech, he inspired the entire Nation by his pledge to restore economic stability to our Nation, to reduce both Federal spending and the Federal deficit, and to make the kinds of investments in our Nation's future that are essential as we move into the 21st century. He said that he would ask sacrifices of all Americans, but that they would be fair and equitable, and that those who had benefited the most from economic policies of the 1980's would be asked to shoulder a major part of the burden of restoring the Nation's economy. He proposed a package of revenue increases and spending reductions—more than 200 specific cuts in Federal spending, the very thing that the Republicans out here always say that they believe in.

As the previous speakers have very effectively pointed out, the revenue increases in the bill, in addition to the spending cuts, were carefully designed so that the majority of new taxes would fall upon the wealthiest Americans, with 75 percent being paid for by families earning more than $100,000 per year.

Unfortunately, in the past few months, Mr. President, we have watched many special interests in this town move to take apart this package and to shift the burden of the deficit reduction away from the wealthiest and onto the backs of the middle class, the elderly, and those who have the least. Special interests have managed to insert in the reconciliation bill not new spending cuts but new tax giveaways and new tax shelters at a time when this country can least afford these kinds of tax expenditures.

Now, I can hardly believe it but there are serious proposals to shift and to impose additional cuts on lower- and middle-income people above those already contained in the President's budget proposal. There are serious proposals to take cuts out of the Medicare Program while at the same time we are talking about allowing new depreciation deductions for business. Some are talking about putting into effect new loopholes in the alternative minimum tax, the very provision that is designed to make sure that the very wealthy pay at least something, some minimal amount for the benefits they receive from participating in this country's economy.

We have also seen a broad-based Btu energy tax proposal that did its best to spread the burden evenly throughout this country, being possibly replaced by proposals, such as a gas tax that will hit individuals and families much harder than the Btu tax.

I am particularly troubled by two items that I have learned are either in the changes proposed, or likely to be. One is that we have lost a relatively modest proposal from the President to cap deductions for corporations that pay their executives more than $1 million per year. That provision is not yet eliminated, but it has been weakened. I have not found a single constituent of mine, including key CEO's, who believe it is critical that a business be able to deduct that amount above $1 million that they pay a corporate executive. This provision should be strengthened, not weakened.

The other thing that I am amazed by is to hear people talking about cutting Medicare—and even something as outrageous as taking away cost of living increases for Social Security—while they are talking about delaying the increases in the corporate income tax and the personal income tax for 6 months. These folks are on notice that the President has proposed these changes. I think it is fair to say that they would be prepared to pay their fair share for the whole year, not just half of the year. We need that revenue in order to meet the President's very laudable goal of $500 billion in net deficit reduction in the next 4 years.

Mr. President, the President of the United States sent the Congress a fair and balanced deficit reduction proposal last spring. It was not perfect, but obviously not everybody agreed with every provision. I and many others felt there should be more spending cuts and deeper deficit reduction. I think we should find more spending cuts this year, and every year, until we get rid of the Federal deficit. But President Clinton's basic plan is significant; it is balanced, and it spreads the burden of sacrifice fairly throughout our society.

Now the U.S. Senate has the responsibility to move forward with this proposal. I believe we should strip the bill of the tax breaks and the tax shelters which have worked their way into the House-passed bill. That is where we should be looking first for increased revenues, not out of the Medicare Program, not out of Social Security or Medicaid, and not on the backs of middle class Americans who have done their share, borne the burdens, and are willing to do even more if they can be assured that these funds will go for deficit reduction, economic recovery, and to provide a better future for their children and grandchildren.

Mr. President, we need a deficit reduction measure that remains true to the progressive economic policies that the American people voted for last fall. We should pass the President's deficit reduction legislation without the changes demanded by the special interest lobby. They have been responsible, to a large extent, for the failed economic policies of the past administration and have helped drive this country to the edge of bankruptcy.

To conclude, very simply, they should have to participate in solving the problems they have helped to create.

Thank you.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I thank the distinguished Senator from Wisconsin for his contribution. The Senator from Wisconsin, again, put his finger on a lot of the sort of loopholes that crept back into the House bill which nobody is really talking about.

The Senator mentioned one about the provision that the President had in his plan that would tighten down on the deductibility for executive pay over 1 million a year. Well, the House loosened up on that to the point where it is almost kind of ridiculous. If you can show that the company made progress, then you are exempted from it. Anybody can show that, for crying out loud. The Senator is right that it ought to be tightened down.

There are some others. We talked earlier about the corporate tax increase. The President proposed 36 percent, and the House left it at 35. That 1 percent increase is $15 billion right there alone. Again, we do not have to weaken the alternative minimum tax for accelerated depreciation, a convoluted subject in the President's bill. The House took it out. We can recapture $9 billion right there.

Yes, the President also had in his bill a provision that would stop international corporations from avoiding their fair share of U.S. taxes. That was $8 billion right there that the House took out. I think we can look at that here.

How about this one? Right now, international companies are allowed to set prices at which their own divisions can buy products from another of their divisions. They set the prices and keep them low so that they do not pay any U.S. taxes on that at all. It is called transfer pricing—again, a very convoluted tax subject. But Citizens for Tax Justice says this can save us up to $15 billion a year right there.

Why are we not looking at that? Why do we have to look to Medicare and Medicaid for the cuts?

Why do we not look at some of these? The Senator put his finger on that, and I appreciate it very much.

Mr. President, I yield 15 minutes to the distinguished Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized

THE PRESIDENT'S ECONOMIC PLAN

Mr. METZENBAUM. I thank the Senator. I commend the Senator from Wisconsin, the Senator from California, the Senator from Iowa, the Senator from Illinois, and such others who have addressed this subject.

Today I wish to address myself to the free-for-all over the President's economic plan. I wholeheartedly supported the President when he offered his economic plan in February. It was the first budget proposal in 12 years to deal honestly and forthrightly with the American public on the nightmare of our economic deficit.

I believe it was a fair proposal. It asked all Americans from both sides of the economic spectrum to share in the sacrifice of deficit reduction. That took guts from a new President, guts we have not seen around here for a long time. Americans rose to the challenge. Every poll showed that the people overwhelmingly supported the President. They were willing to do their part as long as everyone else did theirs. Americans were prepared to sacrifice. They wanted to do what was right for the country—cut the deficit; invest in the future; put an end to wasteful, outdated subsidies; and get this economy moving again.

In the beginning, that is what this debate was all about—doing what is right for the country. That was then. Sadly, somewhere between K Street and Capitol Hill, the good of the country went out the window. What happened? How in the space of 4 short months did we get back to gridlock? I will tell you how. The first roadblock was thrown up by a few Western Senators, who decided their constituents should not have to sacrifice. They wanted a special deal. They demanded a break for the timber industry, the mining industry, the ranchers, and all of the other Western beneficiaries of Government welfare.

To be fair, the President made a mistake. He gave the Senators what they wanted. I think they were surprised by it. They did not expect to find the President so accommodating. And the President should not have done it. But he is new around here, and he thought with that change, he had bought peace and progress for his total package. I do not blame him as much as I blame the Democratic and Republican Senators who did not have enough sense to realize that once the gates on special deals were open, the whole concept of shared sacrifice would collapse.

I blame them because they did not have the courage to face angry constituents to explain that cutting the deficit means everybody has to help, certainly our friends out West who spare no opportunity to yell and jump up and down about Government waste and wasteful spending, as if giving away Government land, selling Government timber at low costs, and spending hundreds of millions of dollars every year building roads through virgin forests were not a waste of taxpayers' money. It was plain, old-fashioned selfishness, and you cannot call it anything else.

After the westerners got their deal, then somebody else decided they did not want to pay their fair share either. First, it was big agriculture. They got their break from the Btu tax. That started the hemorrhage, and the sharks begin to circle. Business wanted a deal. The oil and gas industry, petrochemicals, and Chamber of Commerce all wanted out. All of them found Democratic and Republican Members willing to carry their water.

They went with the old Republican rallying cry: Cut spending before you raise my taxes.

We are at the point now where nobody wants to pay so much for shared sacrifice. You know conservative Democrats and Republicans are trying to foist the burden of deficit reduction off on the poor and the elderly. Cut Medicare and Medicaid, they say. Take it from the retirees living on fixed incomes as if they could afford. Seniors are already being asked to pay higher taxes on their Social Security under the Clinton plan. Medicare is already cut $124 billion since 1984 and would be cut an additional $46 billion under the proposed plan.

The worst thing about this is it is a sham argument. There is no difference between cutting Medicare benefits and raising taxes. They both result in money out of the middle-income taxpayers and the poor of this country.

The only question is who is going to pay? If the conservatives have their way it will be the senior citizens, the middle-class, the poor and the homeless that pay while they protect big oil, realtors, and the insurance industry, among others.

Furthermore, the plan presently under discussion involves using savings from Medicare gained through health care reform to finance the whole reform effort. If we cut Medicare now for deficit reduction how will we pay for health care reform?

Mr. President, I believe we ought to look at some of the special tax deals that are already in the law, breaks that benefit wealthy individuals and specific industries for no good reason at all.

Take the energy industry which is currently permitted to expense up front costs associated with exploration and development. Most industries have to depreciate their capital investments over 15 years or longer. The energy industry has been getting breaks after breaks over a period of years. The two former chairman both came from oil-producing States. They looked out for the oil industry. They took good care of the oil industry. But they are no longer chairing the committee and now we ought to go back and see all of the wrongs we have done and undo some of them in the interest of fairness to the American taxpayer.

Big oil and gas are going to get it right up front, and they get it right up front today, and we do not do a thing about it. That and their special oil depletion allowance cost the taxpayers $2 billion every single year just for one single tax break that was given to them in the last session of this Congress.

While big oil cashes in on the oil and energy tax breaks and there are many of them, the rest of the oil crowd benefits from the so-called credit for enhanced oil recovery costs. One thing is for sure. If you are in the oil business you can always find a Democrat or a Republican to carry your water, kiss your ring, or take your PAC money.

While big oil makes off with all the booty, middle-class taxpayers and working people wind up getting clobbered, and it does not matter whether you vote Democratic or Republican.

Other energy interests make out pretty well, too. They get alternative fuel production credits, alcohol fuel credits, tax free bonds for energy production facilities, one tax break after another.

What about wealthy people? They get even more breaks than the energy industry. Consider the exclusion from taxation of investment income on life insurance annuities. That break benefits corporate executives who make so much money they need tax shelters so they invest in tax free annuities.

Do not ask me how this break which costs the taxpayers about $8 billion each year benefits the national interest?

Here is another one. It does not matter which tax bracket you are in—15 percent, 28 percent, 31 percent, or the proposed 36 percent rate. You will never have to pay more than 28 percent on your capital gains income. Unfortunately, not very many people under the 31-percent rate ever pay capital gains in the first place. In the 1986 so-called tax reform bill we conformed the capital gains tax rate to the rates for earned income. That is what reform was all about. In that act the top rate was 28 percent. Since that time we have raised the top rate to 31 percent and now apparently we are going to raise it to 36 percent with a 39.6-percent marginal rate after the surtax is figured in. But the capital gains rate still limps along at 28 percent. Somebody always forgets to raise it.

When are we going to wake up and quit being such fools about this matter?

Here is another giveaway to the rich—the infamous individual retirement account. Oh, that is a wonderful thing. That is such a great thing we have to do that for the people of this country. But the fact is that only benefits those who are in good income tax brackets. The cost to the American taxpayers generally is about $6 billion each year.

I could go on all morning, far more than the 15 minutes allotted to me, to talk about all of these special tax exemptions. There are 120 special tax exemptions and deductions in the law, and I ask unanimous consent at this point, Mr. President, to print the entire number of them in the table in the RECORD at the conclusion of my remarks.

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

(See exhibit 1).

Mr. METZENBAUM. Mr. President, these amount to $484 billion a year, $2.4 trillion over 5 years.

Let me be very candid with my colleagues. Not all of them are bad. Some of them are justifiable. But there are enough bad ones in here that we would not have to be looking at Medicare if we wanted to do something that was right for the people of this country and that was fair.

Let me give you a couple examples of some of these that are in here.

Under international affairs, inventory property sales source rule exemption. Frankly, I do not know what that

is. But it cost $20.5 billion over a 5-year period.

Under other business and commerce, depreciation of equipment and excessive alternative depreciation system that only costs $104.6 billion over 5 years. Or exclusion of capital gains at death, that costs $73.2 billion over 5 years.

So, Mr. President, there are ways that we can balance the budget. There are ways that we can move toward the President's objective without zeroing in on middle class and poor Americans. This is where we should be looking to cut the budget in these special exemptions that I just mentioned, not the pockets of the elderly and the poor.

The thing that disturbs me most about the chaos masquerading as debate on the Clinton budget is that the Republicans act as if they had no hand in creating the budget mess in which we find ourselves as if it was not 12 years of Republican rule that piled up the debt. Now that they are truly out of power they stand around on the other side over there and throw bombs. They are so irresponsible and cynical. The Republicans are the problem, but that comes as no surprise.

What is a surprise is the phenomena of conservative Democrats, members of the President's own party, publicly criticizing the President day after day almost looking for opportunities to embarrass him. Furthermore, these Democrats claims very sanctimoniously they plead they are only trying to help the President, they are moving him back to moderation, back to the safety of the political center. That is plain preposterous.

I ask you how does carrying water for the special interests relate to ideology. Does anyone really believe that a tax on gasoline is more conservative than a Btu tax? It is not a question of ideology. It is a question of who is going to pay. It is a question of toting to special interests, and in this case the special interest happens to be the oil and gas industry, the chemical industry, and others.

I used to think that being labeled a conservative Democrat meant that you subscribed to the center of the political spectrum. I was wrong about that. Being a conservative Democrat means you go to the mat to protect parochial interests in your State and special interests nationally and the national interest be damned. Never mind the position papers and talking points of home State interests are centered in Washington law firms where public opinion is manipulated and put in a direct mail envelope for public dissemination back to the Hill. I am shocked by this, truly shocked that after 12 years in the political wilderness and finally electing a President many Democrats still do not get it. The public is tired of senseless and selfish bickering. They are tired of gridlock. They are tired of always getting the short end of the stick. I wish our friends on this side of the isle would be helping the President. Too many of them are not.

They are weakening him and in some instances they are embarrassing him. I wish they would stop.

I want to follow up on my earlier comments with respect to our colleagues on the other side of the aisle.

The Republicans take great joy in watching Democrats fight it out—then they stoke the fire by claiming that the President is not really a new kind of Democrat at all, but just more of the same—a tax-and-spend liberal.

What hypocrisy.

For 12 long years, their Presidents—Republicans—Ronald Reagan and George Bush taxed, and spent, and borrowed this country into the ground.

In 1982 and 1990, they passed the largest tax increases ever foisted onto the wage earners of this country.

They increased spending more than at any time since World War II—far more than the so-called big spending of Lyndon Johnson during his tenure.

In fact, Reagan and Bush spent so much money that even their tax increases could not cover the cost—so they borrowed, and borrowed, and borrowed.

It was Ronald Reagan and George Bush that sent the annual deficit to $400 billion a year. They quadrupled the national debt to over $4 trillion.

It was they who mortgaged our future.

Our children, and our grandchildren's children will be paying for their profligacy throughout their working lives.

Republicans taxed, they spent, and they borrowed like there would be no tomorrow. So let us not talk about tax-and-spend Democrats.

On November 3, 1992, the people spoke. They said they had had enough Republican flapdoodle. They wanted honesty, they wanted responsibility—and they wanted action.

They elected a Democrat.

So I say to my colleagues on this side of the aisle: Let us not fall for the old Republican ruse. Let us not worry about whether the President is too left of center today—or too right of it tomorrow.

We elected him. He is our President.

He had the guts to ask each and every American to share in a common sacrifice.

And Americans are willing—as long as they do not think they are getting the shaft—to do their part.

The President's plan was fair. But it is being decimated by the right wing of the party in combination with the Republicans.

We need to get back on track.

Let us support the President. He deserves to have his program enacted.

EXHIBIT

TABLE 1.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 1994–98

[In billions of dollars]

Function	Corporations					Individuals					Total 1994–98
	1994	1995	1996	1997	1998	1994	1995	1996	1997	1998	
National defense:											
Exclusion of benefits and allowances to Armed Forces personnel	...	...	...	...	...	2.0	2.1	2.1	2.2	2.2	10.7
Exclusion of military disability benefits	...	...	...	...	...	.1	.1	.1	.1	.1	.6
International affairs:											
Exclusion of income earned abroad by U.S. citizens	...	...	...	...	...	1.4	1.5	1.6	1.7	1.7	7.9
Exclusion of certain allowances for Federal employees abroad	...	...	...	...	...	.2	.2	.2	.2	.2	1.0
Exclusion of income of foreign sales corporations (FSCs)	1.5	1.5	1.6	1.6	1.7	...	...	...	...	...	7.9
Deferral of income of controlled foreign corporations	1.1	1.1	1.2	1.2	1.2	...	...	...	...	...	5.8
Inventory property sales source rule exception	3.9	4.0	4.1	4.2	4.3	...	...	...	...	...	20.5
Interest allocation rules exception for certain nonfinancial institutions	.2	.2	.2	.2	.2	...	...	...	...	...	1.0
General science, space, and technology: Expensing of research and development expenditures	2.0	2.1	2.3	2.4	2.6	(1)	(1)	(1)	(1)	(1)	11.4
Energy:											
Expensing of exploration and development costs:											
Oil and gas	.5	.5	.5	.5	.5	(1)	(1)	(1)	(1)	(1)	2.5
Other fuels	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.2
Excess of percentage over cost depletion:											
Oil and gas	.3	.3	.3	.3	.3	.3	.3	.3	.3	.3	2.0
Other fuels	.2	.2	.2	.2	.2	(1)	(1)	(1)	.1	.1	1.3
Credit for enhanced oil recovery costs	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.3
Alternative fuel production credit	.7	.8	.9	.9	.9	.3	.3	.3	.3	.3	5.7
Alcohol fuel credits [2]	(1)	(1)	(1)	(1)	(1)	...	...	...	...	...	.2
Exclusion of interest on State and local government industrial development bonds for energy production facilities	.1	.1	.1	.1	.1	.2	.2	.2	.2	.2	1.2
Expensing of tertiary injectants	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.1
Exclusion of energy conservation subsidies provided by public utilities	...	...	.1	.2	.3	(1)	(1)	(1)	(1)	(1)	.7
Credits for investments in solar and geothermal energy facilities	(1)	.1	.1	.1	.1	(1)	(1)	(1)	(1)	(1)	.3
Credits for electricity production from wind and biomass	(1)	(1)	(1)	(1)	.1	(1)	(1)	(1)	(1)	(1)	.2
Deductions and credits for clean-fuel vehicles and refueling property	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.3

EXHIBIT—CONTINUED

TABLE 1.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 1994–98

[In billions of dollars]

Function	Corporations					Individuals					Total 1994–98
	1994	1995	1996	1997	1998	1994	1995	1996	1997	1998	
Natural resources and environment:											
Expensing of exploration and development costs, nonfuel minerals	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.3
Excess of percentage over cost depletion, nonfuel minerals	.2	.2	.2	.2	.2	(1)	(1)	.1	.1	.1	1.3
Investment credit and 7-year amortization for reforestation expenditures	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.2
Expensing of multiperiod timber-growing costs	.4	.4	.4	.5	.5	(1)	(1)	(1)	(1)	.1	2.4
Exclusion of interest on State and local government sewage, water, and hazardous waste facilities bonds	.3	.3	.4	.4	.4	.9	.9	1.0	1.0	1.1	6.8
Investment tax credit for rehabilitation of historic structures	.1	.1	.1	.1	.1	(1)	(1)	(1)	(1)	(1)	.6
Special rules for mining reclamation reserves	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.2
Agriculture:											
Expensing of soil and water conservation expenditures	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.2
Expensing of fertilizer and soil conditioner costs	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.3
Expensing of the costs of raising dairy and breeding cattle	(1)	(1)	(1)	(1)	(1)	.1	.1	.1	.1	.1	.6
Exclusion of cost-sharing payments	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.1
Exclusion of cancellation of indebtedness income of farmers	.....	.....	.....	.....	.....	.2	.1	.1	0.1	.1	.5
Cash accounting for agriculture	.1	.1	.1	.1	.1	.2	.2	.2	0.2	.2	1.2
Commerce and housing:											
Financial institutions:											
Bad-debt reserves of financial institutions	.1	.1	.1	.1	.1	.....	.....	.....	.....	.....	.6
Exemption of credit union income	.4	.4	.5	.5	.5	.....	.....	.....	.....	.....	2.3
Insurance companies:											
Exclusion of investment income on life insurance and annuity contracts	.7	.8	.9	1.0	1.1	7.4	8.2	9.0	9.9	10.9	49.7
Exclusion of investment income from structured settlement amounts	(1)	(1)	(1)	(1)	(1)	.....	.....	.....	.....	.....	.1
Small life insurance company taxable income adjustment	.1	.1	.1	.1	.1	.....	.....	.....	.....	.....	.6
Special treatment of life insurance company reserves	2.1	2.3	2.5	2.7	3.0	.....	.....	.....	.....	.....	12.7
Deduction of unpaid property loss reserve for property and casualty insurance companies	1.5	1.6	1.8	1.9	2.1	.....	.....	.....	.....	.....	8.9
Special alternative tax on small property and casualty insurance companies	(1)	(1)	(1)	(1)	(1)	.....	.....	.....	.....	.....	.1
Tax exemption for certain insurance companies	(1)	(1)	(1)	(1)	(1)	.....	.....	.....	.....	.....	.1
Special deduction for Blue Cross and Blue Shield companies	.1	.3	.3	.1	.1	.....	.....	.....	.....	.....	.8
Housing:											
Deductibility of mortgage interest on owner-occupied residences	.....	.....	.....	.....	.....	45.5	47.1	50.3	53.7	57.2	253.9
Deductibility of property tax on owner-occupied homes	.....	.....	.....	.....	.....	13.7	14.4	15.4	16.3	17.1	76.8
Deferral of capital gains on sales of principal residences	.....	.....	.....	.....	.....	14.3	14.8	15.3	15.9	16.4	76.7
Exclusion of capital gains on sales of principal residences for persons age 55 and over ($125,000 exclusion)	.....	.....	.....	.....	.....	4.7	4.9	5.1	5.3	5.5	25.5
Exclusion of interest on State and local government bonds for owner-occupied housing	.5	.5	.5	.4	.4	1.2	1.2	1.2	1.2	1.2	8.2
Exclusion of interest on State and local government bonds for rental housing	.3	.3	.3	.4	.4	.8	.8	.9	1.0	1.0	6.2
Depreciation of rental housing in excess of alternative depreciation system	1.0	1.0	1.1	1.1	1.1	.5	.5	.6	.6	.6	8.1
Low-income housing tax credit	.6	.6	.6	.6	.6	.9	.9	1.0	1.0	1.0	7.8
Other business and commerce:											
Maximum 28 percent tax rate on long-term capital gains	.....	.....	.....	.....	.....	3.8	3.9	4.2	4.4	4.7	21.0
Depreciation of buildings other than rental housing in excess of alternative depreciation system	5.1	5.1	5.2	5.2	5.2	1.9	1.9	2.0	2.0	2.0	35.6
Expensing of up to $10,000 of depreciable business property	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1	1.0
Carryover basis of capital gains on gifts	.....	.....	.....	.....	.....	1.5	1.6	1.6	1.7	1.8	8.2
Amortization of business startup costs	(1)	(1)	(1)	(1)	(1)	.2	.2	.2	.2	.2	1.0
Reduced rates on first $75,000 of corporate taxable income	3.2	3.3	3.5	3.7	3.9	.....	.....	.....	.....	.....	17.6
Permanent exemption from imputed interest rules	(1)	(1)	(1)	(1)	(1)	.2	.2	.2	.2	.2	1.2
Expensing of magazine circulation expenditures	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.1
Special rules for magazine, paperback book, and record returns	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.1
Deferral of gain on non-dealer installment sales	.4	.4	.4	.5	.5	.2	.2	.2	.2	.3	3.4
Completed contract rules	.2	.2	.2	.2	.2	(1)	(1)	(1)	(1)	(1)	1.1
Cash accounting, other than agriculture	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.4
Exclusion of interest on State and local government small-issue industrial development bonds	.4	.3	.3	.2	.1	1.1	1.0	1.0	.9	.8	6.1
Deferral of gain on like-kind exchanges	.3	.4	.4	.4	.4	.2	.2	.2	.2	.3	3.0
Exception from net operating loss limitations for corporations in bankruptcy proceedings	.4	.4	.4	.4	.4	.....	.....	.....	.....	.....	2.0
Deferral of gains from sales of broadcasting facilities to minority-owned businesses	.1	.1	.1	.1	.1	.....	.....	.....	.....	.....	.5
Transportation:											
Deferral of tax on capital construction funds of shipping companies	.1	.1	.1	.1	.1	.....	.....	.....	.....	.....	.4
Exclusion of employer-provided transportation benefits	.....	.....	.....	.....	.....	3.0	3.1	3.1	3.1	3.2	15.3
Community and regional development:											
Investment credit for rehabilitation of structures, other than historic structures	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	.3
Exclusion of interest on State and local government bonds for private airports, docks, and mass-commuting facilities	.2	.3	.3	.3	.4	.7	.8	.9	.9	1.0	5.8
Education, training, employment, and social services:											
Education and training:											
Exclusion of scholarship and fellowship income	.....	.....	.....	.....	.....	.7	.7	.7	.8	.8	3.7
Parental personal exemption for students age 19 to 23	.....	.....	.....	.....	.....	.8	.8	.8	.9	.9	4.2
Exclusion of interest on State and local government student loan bonds	.1	.1	.1	.1	.1	.3	.3	.3	.4	.4	2.4
Exclusion of interest on State and local government bonds for private nonprofit educational facilities	.2	.2	.3	.3	.4	.8	.8	.9	1.0	1.1	5.8
Deductibility of charitable contributions for educational institutions	.4	.4	.4	.5	.5	1.6	1.6	1.8	1.9	2.0	11.1
Exclusion of interest on educational savings bonds	.....	.....	.....	.....	.....	.1	.1	.2	.2	.3	.9
Employment:											
Exclusion of employee meals and lodging (other than military)	.....	.....	.....	.....	.....	.6	.6	.6	.7	.7	3.2
Special tax provisions for employee stock ownership plans (ESOPs)	.8	1.0	1.1	1.2	1.2	(1)	(1)	(1)	(1)	(1)	5.3
Exclusion of benefits provided under cafeteria plans	.....	.....	.....	.....	.....	5.4	6.7	8.5	10.6	12.6	43.9
Exclusion of rental allowances for ministers' homes	.....	.....	.....	.....	.....	.2	.2	.3	.3	.3	1.3
Exclusion of miscellaneous fringe benefits	.....	.....	.....	.....	.....	4.6	4.9	5.2	5.5	5.8	25.9
Exclusion of employee awards	.....	.....	.....	.....	.....	.1	.1	.1	.1	.1	.6
Exclusion of income earned by benefit organizations: Supplemental unemployment benefits trusts	.....	.....	.....	.....	.....	(1)	(1)	(1)	(1)	(1)	.1
Voluntary employees' beneficiary associations	.....	.....	.....	.....	.....	.5	.5	.5	.6	.6	2.7
Social services:											
Deductibility of charitable contributions, other than for education and health	.4	.4	.4	.4	.4	12.9	13.2	14.4	15.5	16.4	74.4
Credit for child and dependent care expenses	.....	.....	.....	.....	.....	2.8	2.8	2.8	2.9	3.0	14.3
Exclusion for employer-provided child care	.....	.....	.....	.....	.....	.6	.6	.6	.7	.7	3.2
Exclusion for certain foster care payments	.....	.....	.....	.....	.....	(1)	(1)	(1)	(1)	(1)	.1
Expensing costs for removing architectural barriers	.1	.1	.1	.1	.1	(1)	(1)	(1)	(1)	(1)	.5
Credit for disabled access expenditures	.1	.1	.1	.1	.1	.....	.....	.....	.....	.....	.5
Health:											
Exclusion of employer contributions for medical insurance premiums and medical care	.....	.....	.....	.....	.....	36.7	39.6	42.5	48.7	48.7	213.0
Exclusion of medical care and CHAMPUS health insurance for military dependents	.....	.....	.....	.....	.....	.4	.4	.4	.5	.5	2.2
Supplemental health insurance credit component of earned income tax credit (EITC) [3]	.....	.....	.....	.....	.....	.1	.1	.1	.1	.1	.5
Deductibility of medical expenses	.....	.....	.....	.....	.....	3.5	4.1	4.7	5.5	6.4	24.2
Exclusion of interest on State and local government bonds for private nonprofit hospital facilities	.5	.5	.6	.6	.7	1.3	1.4	1.6	1.7	1.8	10.7
Deductibility of charitable contributions to health organizations	.3	.3	.3	.3	.3	1.3	1.3	1.4	1.5	1.6	8.8
Medicare:											
Exclusion of untaxed medical benefits:											
Hospital insurance	.....	.....	.....	.....	.....	8.2	9.0	10.0	11.1	12.2	50.5
Supplementary medical insurance	.....	.....	.....	.....	.....	4.9	5.6	6.5	7.7	9.0	33.7
Income security:											
Exclusion of workers' compensation benefits	.....	.....	.....	.....	.....	4.1	4.3	4.5	4.8	5.0	22.7
Exclusion of special benefits for disabled coal miners	.....	.....	.....	.....	.....	.1	.1	.1	.1	.1	.5
Exclusion of cash public assistance benefits	.....	.....	.....	.....	.....	.5	.5	.5	.5	.5	2.5
Net exclusion of pension contributions and earnings:											
Employer plans	.....	.....	.....	.....	.....	55.3	58.5	62.0	65.7	69.6	311.1

EXHIBIT—CONTINUED

TABLE 1.—TAX EXPENDITURE ESTIMATES BY BUDGET FUNCTION, FISCAL YEARS 1994–98

[In billions of dollars]

Function	Corporations					Individuals					Total 1994–98
	1994	1995	1996	1997	1998	1994	1995	1996	1997	1998	
Individual retirement plans						6.2	6.5	7.0	7.5	8.0	35.2
Keogh plans						3.0	3.1	3.3	3.5	3.7	16.6
Exclusion of other employee benefits:											
Premiums on group term life insurance						2.2	2.3	2.5	2.6	2.8	12.5
Premiums on accident and disability insurance						.1	.1	.1	.1	.1	.6
Exclusion of employer-provided death benefits						(1)	(1)	(1)	(1)	(1)	(2)
Additional standard deduction for the blind and the elderly						1.6	1.7	1.8	1.8	1.9	8.8
Tax credit for the elderly and disabled						.1	.1	.1	.1	.1	.5
Deductibility of casualty and theft losses						.5	.5	.5	.5	.5	2.5
Earned income tax credit (EITC) [4]						1.3	1.6	1.7	1.8	1.9	8.3
Supplemental young child credit component of EITC [5]					(1)	(1)	(1)	(1)	(1)	(1)	.1
Social security and railroad retirement: Exclusion of untaxed social security and railroad retirement benefits						28.0	29.4	30.7	31.9	33.2	153.2
Veterans' benefits and services:											
Exclusion of veterans' disability compensation						1.6	1.6	1.6	1.7	1.7	8.2
Exclusion of veterans' pensions						.1	.1	.1	.1	.1	.5
Exclusion of GI bill benefits						.1	.1	.1	.1	.1	.4
Exclusion of interest on State and local government bonds for veterans' housing	(1)	(1)	(1)	(1)	(1)	.1	.1	.1	.1	.1	.6
General purpose fiscal assistance:											
Exclusion of interest on public purpose State and local government debt	3.5	4.0	4.5	4.8	5.0	10.5	11.8	12.8	14.9	15.1	86.8
Deduction of nonbusiness State and local government income and personal property taxes						25.7	27.6	29.7	31.8	33.3	148.2
Tax credit for corporations with possessions source income	3.9	4.1	4.3	4.5	4.7						21.5
Interests: Deferral of interest on savings bonds						1.3	1.3	1.4	1.4	1.5	6.9

[1] Positive tax expenditure of less than $50 million.

[2] In addition, the 5.4-cents-per-gallon exemption from excise tax for alcohol fuels results in a reduction in excise tax receipts, net of income tax effect, of $0.5 billion per year in fiscal year 1994, and $0.6 billion per year for fiscal years 1995 through 1998.

[3] The figures in the table show the effect of the supplemental health insurance component of the EITC on receipts. The increase in outlays is $0.7 billion in each year for 1994, 1995 and 1996, and $0.8 billion in each year for 1997 and 1998.

[4] The figures in the table show the effect of the EITC on receipts. The increase in outlays is: $10.9 billion in 1994, $13.5 billion in 1995, $14.1 billion in 1996, $15.1 billion in 1997, and $15.6 billion in 1998.

[5] The figures in the table show the effect of the supplemental young child credit component of the EITC on receipts. The increase in outlays is: $0.3 billion in 1994, $0.4 billion is 1995, and $0.4 billion in each year from 1996 through 1998.

Note.—Details may not add to totals due to rounding.

Source: Joint Committee on Taxation.

Mr. METZENBAUM. I commend the Senator from Iowa for his leadership in this entire endeavor and I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

There are 7 minutes and 27 seconds remaining.

Mr. HARKIN. I thank the Chair and I thank the distinguished Senator from Ohio for his many years of leadership here in the Senate in fighting for the middle class and the little guy.

I think it was earlier that Senator SIMON from Illinois made a comment that previous Senator Paul Douglas from Illinois had said, I guess in an admonition to Senator SIMON at one time: "When you get to Washington, there are enough special interests for the wealthy. They have there inroads in Washington. They can take care of themselves. But what you need to do is to stick up for the little guy."

The Senator from Ohio has always stuck up for the little guy in America.

Mr. METZENBAUM. I thank the Senator.

Mr. HARKIN. I am proud of his contribution.

What the Senator just said here again is in keeping with that tradition of fighting for the middle class and making sure the people that do not have all the powerful lobbyists around here, that they have a champion here on the Senate floor, and the Senator from Ohio has been that champion for many, many years.

Mr. WELLSTONE. Will the Senator yield for 1 second?

Mr. HARKIN. I am delighted to yield.

Mr. WELLSTONE. I will just take seconds.

I want to echo what the Senator from Iowa has said.

I want to say to Senator METZENBAUM that those were fighting words, but those were very appropriate words, I think, from Senator METZENBAUM, when it comes to some standard of fairness and standing up for people so that people think that Government is on their side, as opposed to people that have all the wealth and power.

I say that Senator METZENBAUM is at the very top of the U.S. Senate. That is the history that he has made. Therefore, he is a very, very important Senator to me and a model.

I thank him for his comments.

Mr. METZENBAUM. I am very grateful to both of my colleagues.

Mr. HARKIN. Mr. President, to close out our hour and a half of debate, I want to thank all the Senators who came over. There were many more who wanted to speak but, obviously, because of committee meetings and other time constraints, could not be here.

Mr. President, I just close by saying, last week a group of 11 Senators—and I was one of those—sent a letter to the chairman of the Finance Committee, Chairman MOYNIHAN, expressing concern about recent reports of proposed changes in the deficit reduction package. And while we said maybe some changes need to be made, we basically spelled out three points.

First, no further cuts in Medicare or Medicaid that would unfairly increase the beneficiaries' out-of-pocket costs or reduce the quality and access of health care.

Second, no decrease in the share of deficit reduction asked of the wealthiest people in our society.

And, third, no additional taxes on the middle class.

Mr. President, I think Senator MIKULSKI from Maryland really started the hour and a half of debate quite appropriately.

We just cannot stand by any longer and let this debate on the deficit reduction shift only to those who have worked the hardest in our society; those who have tried to raise their families and play by the rules, now perhaps have a few golden years left to retire in dignity, and to say, "No, we are going to stick it to them." Or, to those on the bottom rung of the ladder; those, who, through circumstances of birth or happenstance in life—maybe they do not have great incomes, perhaps they may even be on, God forbid, welfare, AFDC, or something like that—who are struggling, they are working, they want their kids to have a better life, and we are saying "No, we are going to stick it to them, too."

We are not going to stand by and let this happen. I think that is what we are all saying here today. We are concerned about the direction that this so-called budget reconciliation is taking.

And, I might add, since the Republicans have decided to sit on the sidelines and not be a part of the process, then it is up to us Democrats to fashion the program. But we do not want to violate those three principles.

And, Mr. President, I want to say here that there has been some talk in the newspapers lately—and I have read them—that somehow this is left or right; that somehow it is class warfare.

Mr. President, nothing could be further from the truth. This is not left or right or up or down or class warfare or anything else. It is about reducing the deficit. We all want to do that, because we know that an increasing deficit is

basically going to hurt middle-income America, going to hurt the people on the bottom, going to pull out the rug from underneath them in terms of them wanting to have a better life.

So we do what to reduce the deficit, but we also want to strengthen the middle class because we recognize that as the path up for people who are on the bottom.

We do not want to back down on our commitment that we have made over the years to the elderly of our country that they will be able to live in dignity with decent health care. And we do not want to pull out the ladder or ramp of opportunity for those on the bottom, so that they too can have a share of the American dream.

So this is not left or right. It is basically common sense middle America, because what we are talking about is strengthening that middle class that has been so hard hit over the last 12 years of Reagan and Bush economics.

I guess, summing it up, Mr. President, what we are all here about—what the Senator from Minnesota is here about and the Senator from California who spoke, and the Senator from Ohio and others who spoke this morning, and the others who are on the letter—what we are really about is nothing more or less than strengthening the American dream.

What we are saying is that if you work hard and if you play by the rules, then you, too, should have a part of the American dream; that you should be able to earn enough to raise your kids and educate them, to buy a home, to have a decent car, maybe even to take a nice vacation once in awhile and, yes, to retire with some dignity and health care.

That is what we are here about, the American dream; not just for the few at the top but for the many at the bottom; to hold out that American dream to them, too.

And you do not do it with a deficit reduction package that puts the burden on them of reducing the deficit. You do it by making it more fair.

And that is really what we are about: Reducing the deficit, but doing it in a manner that is fair to all of society; one that makes sure that those who are on the top—not that we want to stick it to them, either—but just to make sure they pay their fair share; to make sure that the distribution of the burden of reducing the deficit is shared by all equitably and fairly in our society.

That is really what we are about.

And to the extent that this deficit reduction package that is coming out of the Finance Committee does not meet those principles—I cannot speak for any Senator other than myself—I can say that this Senator will be prepared to come out here on the floor next week, or whenever we get that package, and to do whatever I can to change it, to modify it, to meet these principles. And, if we cannot do it, to oppose it, because, Mr. President, we cannot let this happen. We cannot let the burden just fall on middle-class America.

Mr. President, I ask unanimous consent the letter that we sent last week, 11 Senators sent, be printed at this point in the RECORD.

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

U.S. SENATE,
Washington, DC, June 11, 1993.

Hon. DANIEL PATRICK MOYNIHAN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR CHAIRMAN MOYNIHAN: We are concerned by recent reports of proposed changes to the President's deficit reduction package that run counter to progressive Democratic principles. We believe that the package must maintain the level of deficit reduction contained in the budget resolution while protecting those who took the brunt of failed Republican trickle-down policies over the past 12 years.

While there may need to be changes in the House-passed reconciliation bill, we oppose changes which fail to meet the following principles:

(1) No further cuts in Medicare or Medicaid that would unfairly increase beneficiaries' out-of-pocket costs, reduce access or quality of health care, or threaten enactment of health care reform;

(2) No decrease in the share of deficit reduction asked of the wealthiest people in our society; and,

(3) No additional taxes on the middle class.

We would hope to work with you during the coming days to ensure Senate passage of the reconciliation bill.

Sincerely,

Tom Harkin, Paul Wellstone, Russell Feingold, Daniel Inouye, Paul Simon, Howard Metzenbaum, Patty Murray, Carl Levin, Barbara Mikulski, Carol Moseley-Braun, Daniel Akaka.

The PRESIDING OFFICER. The Senator from Nevada, Mr. REID.

Mr. REID. Mr. President, I know the hour is late but I was not aware of the very special orders today. I ask unanimous consent I be allowed to make a statement as in morning business.

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

SOURCE TAXING

Mr. REID. Mr. President, I think the American public should be impressed with the fact that statements today acknowledge the fact that we have an annual deficit that is too much and that we have an accumulated debt that is too high. People here today are talking about doing something about it. I think that is important. But I, Mr. President, rise to speak on a different subject.

I speak on a piece of legislation I have introduced over the past several Congresses. In fact, this legislation has passed on two separate occasions in this body. This legislation will eliminate a State's ability to tax a nonresident's pension income, a practice known as source taxing.

As the situation exists today, retirees in every State could be forced to pay taxes to States where they do not reside. Retirees pay taxes on pensions drawn in the States where they spent their working years, despite the fact they are no longer present in that State. They no longer participate in programs to which their taxes go. They do not participate in medical assistance programs, parks, senior centers, roads, police, fire. These people do not benefit from services funded by taxes because they do not live there.

Most important, they do not even get to vote in their former State of residence. Yet they are still required to pay taxes. There could be no clearer example of taxation without representation.

There are numerous examples, illustrations that show the inequity of the practice of source taxing the pension incomes on nonresidents. I am going to talk about a couple of what I think are outrageous situations. As I have indicated, there are numerous, numerous occasions where this has occurred.

An elderly lady living in Fallon, NV, has an annual income of around $12,000 a year. Of course she is not rich. But she is able to survive on this amount of money in rural Nevada. One day, though, the mail carrier delivered a message in the form of a notice of taxation from the State of California. In effect it says she owes taxes on the pension income she receives from California plus penalties plus interest. She cannot believe this. Being an honest, hard-working person all of her life, she calls the tax collector in California long distance and tells them that she has never paid taxes on her pension and asks why at this time she is being assessed?

The tax collector says, making a long story very short, that the California franchise board made a mistake and that instead of the tax notice she received, she should get a bigger one. They went back to 1978 and calculated her tax debt. Her tax debt was almost as much as she makes in a year.

Most citizens pay their taxes honestly and do not complain too much, but when they are taxed by a State where they do not even live they begin to question the system.

In 1974, a detective for the Los Angeles Police Department retired. There is no place in America today that a job is more dangerous than being in law enforcement in southern California, in Los Angeles. And being a detective makes it even more difficult and more dangerous. The examples of where this man, over his career, in the Los Angeles Police Department put his life on the line are numerous.

But he decided, after retiring, that he did not want to live in southern California. He decided he wanted to move to Friday Harbor, WA. After he moved from California to the State of Washington, he was told by the State of

California that he would have to pay taxes on his California pension income.

This was after a spokesperson for the California franchise tax board was quoted in a Sacramento newspaper saying that California had been sending letters for 7 or 8 years stating they would not collect taxes on the pensions of nonresidents. But, the spokesman said, California later changed its mind.

The detective was contacted, as I have indicated, by California and told he owed taxes on his pension income from California. After California tallied up the unpaid taxes, penalties, and the interest, they found the retired detective owed over $26,000. The bottom line on this story is that California is seizing 25 percent of the detective's pension income until the arrearages are paid. The only way the detective can get this pension seizure released is perhaps to go to court and to try to get relief in the California State court system. In other words this is a nightmarish situation.

A person on a pension cannot afford lawyers. The vast majority of times, in fact almost all the time, they pay. They cannot afford it in many instances but they pay. So they are faced with a situation, whether they pay for an attorney they did not think they would ever need, or they pay taxes that are unjustly assessed.

As I mentioned in the earlier part of my statement, this legislation was passed twice in the Senate. On each occasion the legislation was dropped by the House-Senate conference committee. The problem is that identical version of this legislation on the House side is referred to the Judiciary Committee. On the Senate side it is handled in the Finance Committee. My legislation, that is good legislation and passes here very easily, is killed in the House.

But at the end of last Congress, I received a letter from the chairman of the House Judiciary Committee regarding the conference report to this legislation. In that letter the chairman said the Judiciary Committee members could not reach consensus on this issue and the amendment had to be deleted.

The letter from the chairman also included his personal assurance that he would hold hearings on this issue after the 103d Congress convened, to address the policy questions surrounding the legislation.

Mr. President, my staff has repeatedly made inquiry with the Judiciary Committee staff on the House side and they are given no affirmative response. All we have heard is that no hearings have been scheduled. We do not need to make a phone call to find that out. We know that.

I have written to the chairman, asking for hearings and have not heard a single word from the chairman of the House Judiciary Committee. This is what gives the legislative process in many parts of our country a bad name. Because worthy legislation is killed by means that the American public do not understand and that many times we in the legislative process do not understand. This legislation is being stonewalled, this legislation is being killed without a proper hearing. We are about to consider tax legislation in this body and it seems to me that until the House does something on this issue, we should not burden the Finance Committee for a third time to pass this legislation—to report this legislation.

I hope that the Judiciary Committee will allow a hearing of this legislation, will allow the process to go forward, report it to the House floor, and have this legislation passed so it can be signed by President Clinton. It is fair. Why in this country should we have legislation that, in effect, would prevent taxation without representation? We need to pass a bill to end source taxing.

I have explained about the women in Fallon, NV, and the retired detective in Friday Harbor, WA. These people are already burdened. They are paying taxes they should not have to pay. They cannot wait for the political process to be an impediment to correct this extremely inequitable practice of source taxing. Nor can the thousands of other people around the country wait who are being taxed by a State where they no longer benefit from the services, no longer reside and can no longer vote. We need to remedy this. This is unfair and it is what causes people to make disparaging remarks and feel poorly about the legislative process.

Mr. BURNS addressed the Chair.

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

Mr. BURNS. Mr. President, might I inquire, are we still in morning business?

The PRESIDING OFFICER. The Chair advises the Senator that morning business has expired. The Senator may extend it.

Mr. BURNS. Mr. President, I ask unanimous consent that morning business be extended for at least 5 minutes.

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

Mr. BURNS. I thank the Chair.

(The remarks of Mr. BURNS pertaining to the introduction of S. 1108 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent that morning business be extended to give me adequate time to deliver this brief message.

The PRESIDING OFFICER. The Senator is recognized for a brief period of time.

PUBLIC HEALTH AND SAFETY ACT

Mr. CHAFEE. Mr. President, about a month ago, I introduced my Public Health and Safety Act which is legislation to ban the sale, manufacture, and possession of handguns. My legislation, which is Senate bill 892, would establish a grace period of 6 months during which time handgun owners across our Nation could turn in their firearms and be reimbursed for the weapon's fair market value, or $25, whichever is most.

After the 6-month grace period, no one may possess a handgun, except law enforcement officers, military, antique collectors, target shooters, and security guards, and the target shooters would have to have their weapons stored in a secure place.

Mr. President, why is there an emphasis on handguns? Because it is the most easily concealed, most readily available weapon. It is used to commit violent and terrible injuries. Violent death and injuries are not only rapidly increasing from handguns, but the number of deaths and injuries that are coming from handguns are increasingly senseless.

Let me just give an illustration, Mr. President. Two weeks ago, on June 1, Allyn Winslow, a drama teacher and exercise enthusiast, was shot four times in the back while peddling his bicycle in Prospect Park, a park in Brooklyn, NY, in the afternoon. Mr. Winslow was 42 years old. He was shot by four boys who were just barely in their teens and they wanted his mountain bicycle.

The witnesses heard the shots, and they heard screaming. From their accounts and from the trail of blood left in Mr. Winslow's wake, the police deduced that Mr. Winslow had peddled out of the woods, down a hill, onto a trail, over a small bridge, and then collapsed in Long Meadow, amidst the grass and wildflowers, where he died.

Mr. Winslow's colleagues at the American Musical and Dramatic Academy where he taught described him as a peaceful man and a passionate and dedicated drama teacher, fascinated by the theater and eager for his students to learn. He was married to Marcy Winslow. They had two children, Drew, age 8; Jessica, age 10. The Winslows moved from Texas to Brooklyn 5 years ago, very much enjoying New York life and planned to move closer to the gracious 500-acre Prospect Park because they liked it as a special place for their family to picnic, to play, and to walk.

This fatal shooting occurred on a Tuesday, 2 weeks ago today. Four days later, on a Saturday, four young boys—two were age 14 and two were age 16—were arrested for Mr. Winslow's murder. They apparently assaulted Mr. Winslow because three of them had bikes and they wanted a fourth bike.

The cruelty and senselessness of this crime is compounded only by the youth

of the children accused of carrying it out. And because these children had a handgun, the assault turned into a fatal assault. If the four boys had had a knife or a club or even just their fists, Mr. Winslow likely would have been able to peddle away quickly enough with no more harm done than a thorough scare.

Mr. President, the National Rifle Association glosses over certain facts. The National Rifle Association insists that guns do not kill, people do, but a person with malicious intent is far, far more dangerous if he is armed with a gun. Compared to other weapons, guns are far more lethal, more efficient, more effective in causing injury or death. It should come as no surprise. That is what guns are designed to do. Unlike virtually any other weapon, guns may be used at great distances. After all, who has ever heard of a drive-by knifing?

Allyn Winslow was shot in the back four times by four .22 caliber bullets as he fled his teenage attackers. He was shot on a sunny afternoon in the middle of quiet Prospect Park, because the boys wanted his $250 bicycle and they had a revolver handy. Simply put, Mr. President, we cannot ensure the public health and safety of our citizens unless we move to get rid of these lethal and all too accessible handguns. Hence, my legislation.

I will say this to all within hearing shot: If we do not act, sooner or later every American family will be touched by handgun violence. So I urge my colleagues to join me in support of S. 892, the Public Health and Safety Act.

I thank the Chair.

TRIBUTE TO COL. WILLIAM R. HART, USMC (RET)

Mr. GLENN. Mr. President, it is with a great deal of sadness and respect that I rise today to memorialize and pay tribute to Col. William R. Hart, U.S. Marine Corps (retired) who passed away suddenly on May 30, 1993.

Colonel Hart was the quintessential military officer; a man who loved God, his country, and his family. He was born in Pandora, OH in 1939, and went on to earn his bachelor's degree from Bowling Green State University and a master's degree from Pepperdine University. In many ways he typified what small town America is all about. His service to this country spanned some 27 years and saw him serve in such divergent assignments as a White House aide to Presidents Kennedy and Johnson as well as two tours in Vietnam.

I came to know Colonel Hart during his last active duty tour when he served as deputy legislative assistant to the Commandant of the Marine Corps. I will always remember him as the consummate marine; a square shooter who always told it like it was; a fierce competitor; a forceful advocate of equity, his word was his bond and he demanded no less of others; an impeccable officer whose demeanor reflected the highest standards of the Marine Corps he loved.

Following his military career, which saw him earn the Legion of Merit, the Bronze Star with combat V, the Joint Services Meritorious Service Medal and the Navy Commendation Medal with combat V, he went on to work for the Navy Mutual Aid Society where he was the assistant vice president for membership, a position where, once again, he was serving those who have served their country.

His final position was one for which he was ideally suited. As the deputy director for Government relations at the Retired Officers Association, he was again back on the Hill working to preserve the entitlements earned by his fellow veterans, reservists and retirees. And was he ever persuasive. He was a strong champion for such issues as survivor benefits, concurrent receipt of nondisability retired pay and compensation for disabled veterans, dependency and indemnity compensation for the surviving spouses and children of deceased veterans and for equitable COLA treatment for all military retirees.

He leaves behind his lovely wife Anna and two daughters, Carla and Christine. Each was the apple of his eye. He also leaves behind his beloved Marine Corps which, in many ways, was his second family. Whenever he spoke of the corps he had that certain sparkle in his eyes which made the listener know that the corps, his corps, was special.

Mr. President, the United States, the U.S. Marine Corps and those active duty and retired military personnel and their families that Colonel Hart fought for are richer today for his efforts. To those of us who knew him, our lives are richer for having spent part of our time with him. To his family we simply say, we share in your grief but also remember that you shared him with us and for that we are grateful.

IN TRIBUTE TO DR. DENVER T. LOUPE

Mr. JOHNSTON. Mr. President, I rise today to pay tribute to Dr. Denver T. Loupe, who is stepping down as vice-chancellor and director of the Louisiana Cooperative Extension Service, after many years of exemplary service.

Dr. Loupe has been a friend and leader in numerous areas of agriculture throughout his career. He began his work in agriculture in 1949 as a vocational agricultural teacher and has since served the agricultural industry and the Cooperative Extension Service in many capacities as an agent, specialist, division leader, and director of the Louisiana Cooperative Extension Service.

As an educator and leader, he has provided an example to which our young people and the agricultural industry may aspire. Dr. Loupe's dedication to agricultural education and the future viability of a productive, safe, and abundant food supply, has been recognized with several honors and awards including Progressive Farmer magazine's 1992 Man of the Year Award for service to Louisiana agriculture. Additionally, he has served as secretary, vice chairman, and chairman of Southern Extension Directors, as well as the National Extension Committee to the USDA Joint Council, Extension Committee on Organization and Policy [ECOP], National 4-H Council, Board of Southern Regional Rural Development Center, Board of Directors of the National 4-H Center, the Governor's Rural Development Council, and the Board of the Southern Regional Aquaculture Center. He is also known internationally as an authority on sugarcane and has served the sugar industry in many distinguished leadership roles.

In short, Dr. Loupe has made a tremendous contribution to the advancements in the agricultural industry as we know it today, and I am certain he will remain a very distinguished adviser on the many difficult issues facing the agricultural industry. I am grateful for his public service not only to our State, but also to our Nation. I wish him well upon his retirement.

REMARKS TO TENNESSEE MUNICIPAL LEAGUE/CLOTURE

Mr. MATHEWS. Mr. President, today, the Tennessee Municipal League will be meeting in conferences in Knoxville, TN. As Tennessee's newest Member of Congress, I have been asked to give the luncheon address.

Local government officials are the first line of our governmental process. These officials experience daily, the many problems which are eventually debated on the floor of this Senate.

I accepted the invitation to meet with the league for two principal reasons, first, to share with them the problems we are having overcoming gridlock, and effectively dealing with the many real issues facing the country; and second, to seek the advice of my fellow government officials on choosing the course of economic action best designed to promote growth in our State and in our Nation.

Mr. President, in fulfilling this engagement, I will miss the cloture vote scheduled for 2:30 p.m. today. It is my wish to record the reason for my absence and to go on record stating that were I here to vote, I would vote "aye" on the question of invoking cloture.

RETIREMENT OF DICK ROSSER

Mr. HARKIN. Mr. President, I rise to pay tribute to one of the most tireless

advocates of our system of higher education in the United States, Richard F. Rosser. This month, Dick will retire from his post as president of the National Association of Independent Colleges and Universities and the National Institute of Independent Colleges and Universities after almost 7 years of service. Though he hails from the great State of Michigan, I feel compelled to recognize this man, for we share the same vision of national progress: providing all Americans with access to a quality college education.

The National Association of Independent Colleges and Universities, know as NAICU, represents a very important segment of our system of higher education—our Nation's private colleges and universities, which enroll more than 2.8 million students. Our country owes much to our private colleges and universities. From the very founding of the republic they have formed the backbone of our system of higher education. In my own State of Iowa, independent colleges and universities award over 40 percent of 4-year baccalaureate degrees. Some of these fine institutions include Buena Vista College, Clarke College, Drake University, Grinnell College, Iowa Wesleyan College, Northwestern College, St. Ambrose University, Simpson College, and William Penn College. Nationally, just as in Iowa, these schools reflect the diversity of private, nonprofit higher education in the United States. Members include liberal arts colleges, major research universities, historically black colleges, women's colleges, faith- and church-related colleges—including the Catholic University of America, where I received my law degree.

Our Nation's independent colleges and universities are providing our country with the women and men who will lead us into the next century—our teachers, artists, scientists, and civic and business leaders. More importantly, these schools are firmly grounded in the diversity of opinion and philosophy that have made us a great Nation. I speak particularly of the many faith-related colleges and universities—Baptist, Jewish, Lutheran, Methodist, Presbyterian, Quaker and Roman Catholic, to name a few. NAICU represents many of our Nation's strengths, and Dick has built NAICU into a strong and vibrant organization.

Dick has used the NAICU presidency to champion the right of all Americans to obtain a degree from the college or university of their choice. He has spoken out strongly on behalf of increased financial aid, national service, student loan reforms, and minority scholarships. He has decried our national shift toward loans over grants, and called for important revisions in the tax code that will maintain the vital flow of resources to charitable and educational organizations.

In 1992, Dick's leadership was also instrumental in bringing more than 1,000 college and university presidents and trustees together for the first National Summit of Independent Higher Education. Held in Washington, this gathering led to important new initiatives that will help students into the next century, such as the National Commission on Independent Higher Education.

No stranger to higher education leadership, Dick brought to Washington a solid background in academic administration. He came to NAICU in 1986 after almost 10 years as president of DePauw University in Greencastle, IN.

Under Dick's leadership, DePauw achieved three successive records for capital gifts, had record participation for alumni giving, and enrolled its largest class of new students. He instituted a campuswide honors program, new competency programs, and a new academic center for management and entrepreneurship.

A native of Arcanum, OH, Dick graduated from Ohio Wesleyan University with Phi Beta Kappa honors in 1951. After earning a master's degree in public administration in 1952 at Syracuse University, he served his country by entering the Air Force as a second lieutenant. In the Air Force, he studied the Russian language and served 4 years in intelligence before returning to Syracuse in 1958 to complete his doctorate in political science.

Dick was then assigned to the teaching faculty at the Air Force Academy in 1959, receiving his Ph.D. in 1961. He was appointed head of the academy's political science department in 1967, and a year later was promoted to the rank of colonel and received a Presidential appointment as a permanent professor.

Dick retired from the Air Force Academy in 1973 to become dean of the faculty at Albion College in Albion, MI, and held this position until 1977 when he was named president of DePauw University.

Mr. President, I'd like to recognize Dick Rosser for a lifetime of service to higher education. He, and his wife Donna have earned their chance to retire in Traverse City, MI, where they will pursue their love of sailing. Dick has earned our respect, admiration, and our thanks.

REGARDING: FRANKIE VARGAS

Mr. MCCAIN. Mr. President, I would like to bring Frankie Vargas to the attention of the Senate. Frankie Vargas, who is in the sixth grade in El Mirage, AZ, is the regional winner of a nation wide contest jointly sponsored by the Francis Scott Key Foundation and the National Society Daughters of the American Revolution. This organization asked sixth graders to compose a poem to respond to the question "What does our flag and our Nation symbolize in 1993?" Mr. President, this is an outstanding achievement for a young man and I would like to extend my congratulations to Frankie.

Mr. President, Frankie's poem is truly inspirational to all Americans. I am very proud of Frankie, he clearly demonstrates a unique talent and patriotic spirit that will one day lead our country.

Mr. President, I ask unanimous consent that Frankie's poem be printed in the RECORD.

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

THE FLAG

(By Frankie Vargas)

The flag
A symbol of freedom
A symbol of the United States
A symbol of all the people who died in all the wars
The flag
A symbol of peace and America
So next time you hear the "Star Spangled Banner"
Listen to the words written over 150 years ago
Remember it's our Nation's song.

U.S. RESPONSE TO TERRORISTS

Mr. DECONCINI. Mr. President, when James Woolsey, President Clinton's nominee for Director of Central Intelligence, appeared before the Senate Intelligence Committee for his confirmation hearing several months back, he told the committee, "Yes we have slain a large dragon, but we live now in a jungle filled with a bewildering variety of poisonous snakes." One of the snakes Mr. Woolsey warned the committee of, terrorism, has reared its ugly head in the United States this year and brought pain and suffering to thousands.

No American has suffered more than Judy Becker-Darling. This young lady's husband of 1 year, Frank Darling, was the victim of a brutal act of terrorism this past January as he sat in his car outside the CIA's headquarters. The terrorist in this instance, a citizen of Pakistan, was in our country illegally. He opened fire with a military assault weapon on a group of cars waiting at a red light, killing Frank Darling and another CIA employee. The terrorist purchased the assault weapon 3 days prior to the killing.

Shortly after the CIA killings, New York City found how vulnerable it is to a terrorist attack. The bombing of the World Trade Center by a relatively small group of terrorists shut the business center of America down—disrupting the lives of millions and causing billions in damages. As my good friend and colleague Senator D'AMATO knows, these people have no fear and will take whatever steps necessary to silence those who are outspoken.

We now await the results of an FBI/Secret Service Investigation to determine whether terrorists had planned

yet another attack against the United States. I am referring to the alleged assassination attempt against former President Bush while visiting Kuwait. In testimony from the trial in Kuwait City of those individuals charged with the assassination attempt, it would appear that President Bush was the target and that the Government of Iraq may have been involved.

Mr. President, our country has been extremely fortunate that there have been very few successful terrorist attacks against our citizens and property. The lack of success on the part of terrorists has not been because of luck on our part. The lack of success in due in large part to the thousands of dedicated men and women in our law enforcement and intelligence communities who take this problem seriously.

Nevertheless, as long as countries such as Iraq, Iran, Syria, and Libya continue to advocate and support terrorism against the United States, we need to be ready and willing to respond quickly and forcefully. By not responding, we encourage madmen like Saddam, to try again.

In the CIA shooting, the Pakistani terrorist was able to flee to his country before we could apprehend him. The FBI now has several agents in Pakistan attempting to locate this individual. I would argue that if we really want to send a strong message to terrorists worldwide, we should have 200 FBI agents in Pakistan. Terrorists must know that the United States will be relentless in pursuing them—we will leave no stone unturned.

If current investigations determine that a foreign government or terrorist organizations were behind the World Trade Center bombing or the possible assassination attempt on former President Bush, those responsible must be punished severely. The United States response should be no less than that which we inflicted on Libya in 1986.

Mr. President, the jungle is still full of poisonous snakes. These recent terrorist attacks have demonstrated how a single act of terrorism can hold an entire nation hostage. We have the ability like no other to punish terrorists and their sponsors, we should utilize this ability without hesitation.

THE DYNAMIC STATE OF INTERNATIONAL AVIATION

Mr. PRESSLER. Mr. President, as our Nation prepares to enter the 21st century, we must be prepared to adapt to the changing political and economic climate both at home and abroad. A dynamic industry of great economic importance to the United States—the aviation industry—currently faces major transformation. An issue of major concern is foreign investment in U.S. airlines, and the relationship between such investments and the rights of United States and foreign carriers under international aviation treaties. How can we ensure competitive fairness? How do we maintain a level international playing field in an industry with a growing number of multinational carriers?

With many U.S. airlines facing financial difficulty, policies directed at foreign capital and international competition should be examined with precision. Hearings by the Senate Aviation Subcommittee, for example, could provide an assessment of the implications of future bilateral airline arrangements for existing and future bilateral aviation agreements. As ranking member of the Aviation Subcommittee, I have written to our distinguished colleague, Chairman WENDELL FORD, with a request for such hearings.

In the coming months, Secretary of Transportation Federico Peña is expected to act on measures affecting competition in the international air service industry. The political, economic, and global implications of these actions would set future trends for the industry and for passenger air travel. In recognition of this fact, Secretary Pena has created an interagency White House level working group to address international aviation issues. This working group will consist of representatives from the Office of the U.S. Trade Representative, the Departments of Commerce and State, and the National Economic Council.

Additionally, the administration has played a major role in the formation of the Commission To Promote a Strong and Competitive Airline Industry. This Commission is designed to assess current and future problems plaguing U.S.-based air carriers and manufacturers and recommend solutions. The Commission not only should concentrate its efforts on the problems of the large U.S. airlines, but also should address international trade concerns. Unless the Commission quickly begins its work, however, aviation industry ailments will continue to intensify, and congressional proposals to address the struggling airline industry's problems could be put on hold until next year at the earliest.

With all the talk about a bailout of airlines, though, we must not forget about airline buildup. We need to take a fresh look at the industry from top to bottom—including a close examination of U.S. bilateral aviation arrangements. Late last year, for example, I had concerns about British Airways' proposed investment of $750 million in USAir. In return, British Airways would have received 44 percent of the ownership and 21 percent of the voting rights in USAir. However, U.S. law prohibits foreign control of a U.S. carrier. Major U.S. air carriers were concerned that the initial proposal secured British Airways effective control over USAir, making the proposed alliance illegal. Furthermore, the major U.S. airlines found that the proposed alliance gave British Airways greater access to the U.S. market, but U.S.-based carriers did not receive a reciprocal share of the British airline market.

Fierce United States opposition to the British Airways plan forced the foreign air carrier to pull out of the original deal. Earlier this year, at the onset of the Clinton administration, British Airways proposed a new deal with USAir—a much more realistic and equitable arrangement that received quick approval from the Department of Transportation.

The USAir-British Airways partnership may represent a new trend in international aviation. This global alliance should provide USAir with an opportunity to revitalize its competitive position both domestically and internationally. Carriers from around the world need to focus on ways to nourish competition. But at the same time, they need a balance between give and take.

Several months ago, TWA pulled its service from Sioux Falls, SD. My small State cannot afford to lose additional air service. I am doing all I can to ensure access to competitive air service in my State. If forging more productive and less restrictive international aviation agreements will result in greater air service choice, then we might consider pursuing such global aviation trade agreements.

The recent approval of the USAir-British Airways financial alliance already has triggered the opening of negotiations for bilateral airline agreements between the United States and several European and Asian nations. However, many of our foreign trading partners want government protection at home. Germany, France, and Japan, for example, have indicated their desire to restrict United States airline presence in their countries. I am pleased to learn Secretary Peña has pledged to fight for free and open access to air markets around the world.

Negotiations on new bilateral agreements with, among others, the British, French, Germans, and Japanese have already begun. Under discussion with the British is the Bermuda two pact, a 16-year blueprint for international aviation agreements. The focus of negotiations will be to replace current restrictions in the current air industry agreement with a policy that enables airlines to determine services based on the market principles of price and supply.

An added twist to the treaty negotiation process is the recently expressed interest of four European airlines—KLM Royal Dutch Airlines, Swissair, Scandinavian Airlines System, and Austrian Airlines—to merge into a megaairline. This proposal could be problematic, especially considering current bilateral trade laws between

the different airlines and foreign nations. Nevertheless, this proposed regional consolidation raises important issues for the United States and U.S.-based carriers seeking expanded international routes.

Another consolidated European entity of concern to the United States is the expanding European Airbus Industrie. As this European aircraft consortium quickly obtains new markets, United States manufacturers need to have the solid financial base necessary to respond competitively. Airbus industrie's menacing global presence already has cut into markets traditionally held by U.S. manufacturers. We should be particularly sensitive to the trade practices between Airbus and other nations to determine whether the former is complying with current international trade agreements.

Having returned recently from several African nations, I learned that Airbus Industrie has been showing an increasing presence in several African nations. In Madagascar, for example, the French Government—representing Airbus Industrie—stepped in when airlines in Madagascar were considering the purchase of new aircraft. The African nation was weighing the purchase of aircraft from U.S.-based Boeing and European based Airbus Industrie. When French officials discovered that Madagascar was leaning in favor of purchasing the Boeing aircraft, the French Government threatened to curtail its foreign aid to Madagascar. Since then, the purchase of the aircraft has been put on hold.

Mr. President, the future of the air transport industry will depend on the establishment of equitable international trading relationships. U.S. airlines need a fair playing field to achieve long-term financial stability. As the Senate Aviation Subcommittee begins its work, and as Secretary Peña begins negotiations on bilateral airline agreements, we should focus our collective efforts on the promotion of fair competition in the international aviation marketplace. Doing so will demonstrate our commitment to the future viability of U.S. aviation interests internationally and domestically. We owe it to our aviation manufacturers. We owe it to our airlines. We owe it to the American people.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, as anyone even remotely familiar with the U.S. Constitution knows, no President can spend a dime of Federal tax money that has not first been approved by Congress, both the House of Representatives and the U.S. Senate.

So when you hear a politician or an editor or a commentator declare that "Reagan ran up the Federal debt" or that "Bush ran it up," bear in mind that it was, and is, the constitutional duty of Congress to control Federal spending. Congress has failed miserably for about 50 years.

The fiscal irresponsibility of Congress has created a Federal debt which stood at $4,300,437,428,305.74 as of the close of business on Friday, June 11. Averaged out, every man, woman, and child in America owes a share of this massive debt, and that per capita share is $16,742.41.

REMARKS OF SENATOR KENNEDY ON CITY YEAR

Mr. KENNEDY. Mr. President, it is a privilege to take this opportunity to recognize the remarkable efforts, achievements, and long hours of community service by the 200 truly inspiring young men and women who graduated yesterday, June 14, 1993, from City Year in a "Celebration of Service." City Year is a youth service corps in Boston whose members represent not only the diversity of this great Nation, but the energy, excitement, and idealism of young people. They are an excellent example of what young people can accomplish when given the opportunity to serve.

Many of my colleagues know of the outstanding service that City Year provides to Boston and the Nation. I would like to highlight the efforts and achievements of the 1992–93 City Year corps members.

A typical day at City Year begins at city hall in Boston, where the entire corps performs calisthenics before fanning out to provide critically needed human and physical services.

The corps members who graduated last night have served in public schools, like the William Blackstone Community School, as teachers' aides, after-school program assistants and mentors. They have worked with organizations, like Boston Urban Gardeners, to turn vacant lots into gardens and playgrounds. They have educated the community about the importance of water conservation and the dangers of lead paint. They have worked with groups like Community Servings to provide services and understanding to people with AIDS. They have fought against homelessness by constructing shelters, providing and sharing meals, and working in food distribution centers. They have learned firsthand about the lives of the homeless by living on the streets of Boston for a 24-hour period. They have worked with the city of Chelsea, which has been in receivership since September 1991, to provide basic human and physical services that had been discontinued due to severe cuts in the city's budget.

The 1992–93 City Year corps members provided over 300,000 hours of community service. They served in over 15 communities and neighborhoods, worked in 15 public elementary, middle, and high schools, developed 10 community gardens, provided assistance to 17 homeless shelters and support organizations, and aided 10 low-income housing communities. It was not just the communities that benefited from City Year's work. The corps members created bonds that crossed all lines of race, age, education, and income. They were able to touch the lives of countless citizens, and to learn from them in return. Perhaps most importantly, they learned how service can unite people of different backgrounds, races, and creeds, and create the possibility for change and hope.

The 1992 City Year Serve-a-thon helped to instill these lessons of service in the greater Boston community. Last October 24, over 7,000 individuals, working on 215 service projects, helped raise $600,000 for City Year. In turn, City Year brought together the community of Boston and shared with it the value and importance of community service. The serve-a-thon was part of a remarkable public/private partnership that enabled corps members to deliver urgently needed physical and human services.

The Federal Commission on National and Community Service played an important role for City Year as well. By recognizing and supporting City Year as a National Demonstration Program, the Commission enabled City Year to double in size, and made the City Year experience available to young people throughout the Nation.

The Commission was joined by leading institutions in the private sector, such as Apple Computer, Bain & Co., the Bank of Boston, the Boston Company, Fleet Bank of Massachusetts, Gillette Co., Interleaf, Inc., Liberty Mutual, the Millipore Foundation, New England Telephone, the Reebok Foundation, the Timberland Co., and hundreds of other corporations, foundations, law firms, civic organizations, and individuals whose support and contributions made this program possible.

Although this year's program is coming to an end, City Year's contributions to Boston and the Nation will not end with last night's celebration. Over 850 young people have already applied for next year's corps. City Year has also been selected, with its partner Northeastern University, from over 100 groups to serve as a Summer of Service site. Corps members will run summer camps for elementary students, plant urban gardens, improve public housing developments, and assist with the immunization of 10,000 children.

At a time of growing concern about important challenges we face on issues such as education, health care, the environment, the homeless, AIDS, violence in cities, drugs, and many others City Year corps members serve as role models for young people and all Americans. These corps members are living

proof that community service programs can tap into the ideals and energy of a new generation of Americans.

Last night, the City Year corps members celebrated their year of service with the performance of an original rap song, a dance, and a dramatic presentation. They honored community leaders, and pledged their commitment to lives of service in the future. The graduating corps members also prepared a description of their own experiences during the year in an essay which they entitled "State of the Community". I am including their essay in the RECORD following my statement.

Through their outstanding service, the City Year graduates have developed a unique vision of the future that reminds me of what Robert Kennedy often said, "Some see things as they are and say why; I dream of things that never were and say why not."

I congratulate the 1992–93 City Year graduates. They symbolize the best possibilities for our Nation's future, and I wish them well in their own future.

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

STATE OF THE COMMUNITY BY THE 1992–1993 CITY YEAR CORPS

Nine months ago, over 200 young people brought together their vitality, enthusiasm, creativity, open hearts, open minds, and idealism to form a unique community based on service to others. We have come from all parts of society and all corners of greater Boston, the country and the globe. As we worked in many different communities, we challenged the stereotype that youth means irresponsibility or apathy and we learned valuable lessons about commitment and about making positive change within ourselves. Tonight we speak to you as a diverse and proud corps, united by the service we have done, people we have touched, bonds we have formed, and support we have been given—from families and friends, team sponsors and service partners, policy makers and community members.

Through this State of the Community Address, we share with you what we have seen, what we have done, what we have learned, and what we hope for the future.

We have seen schools forced to provide support and services traditionally provided by family and community. We have watched Michelle, age 10, spend only one disjointed hour in class after she takes school time to eat breakfast and lunch, move to a special needs classroom, meet with the social worker, and receive medical attention for signs of abuse. We have served as teacher aides, tutors, and mentors, taught community service learning and violence prevention, run after school programs, and provided unconditional love. We have sat with Michelle when she could not sit still, read to her and encouraged her to read aloud, played sea animal dominoes, cleaned and patched her cuts, and taught her that tantrums and angry words will not drive us away. We have learned that schools cannot provide a solid education when they must play so many different roles. We have learned that our love and attention can fill some, though not all, of the gaps in Michelle's education but will help break the cycle of violence and neglect in her life. We hope for a day when all children have equal access to excellent education, when teachers are valued for giving students the power to learn, and when schools have the economic, community, and family commitment necessary to provide a stimulating learning environment. We hope for a day when Michelle's children receive the love and support that all children deserve from their families, communities, and schools.

We have seen a neglected urban environment where families live with empty lots, litter, lack of education, and the danger of poisonous lead paint. We have seen the Parker Street Garden used as a dumping ground and a haven for drug dealers and users. We have created gardens and tot lots, taught elementary school children and their families the importance of natural areas, and taught environmental preservation through recycling and conservation. We have restored the Parker Street Garden by clearing 90 bags of trash, rebuilding plots and paths, and pruning long-forgotten trees and bushes. We have learned that children are concerned about the health and preservation of their environment, and that, with education and encouragement, many community members are eager to do all they can to take back their neighborhoods and make them safe. We have learned that when we cleaned and restored the Parker Street Garden, residents felt better about their urban environment and, rather than fear the violence and drugs that had once inhabited the garden, chose to maintain the garden as a beautiful outdoor space for all. We hope for a day when environmental issues are taught by every family, community, and school, and when every person realizes his or her role in maintaining a clean, safe community. We hope for a day when the Parker Street Garden and other cooperative projects help raise children with healthy bodies and minds, restore unity and security in every neighborhood, and encourage awareness about our responsibility to the Earth.

We have seen poverty and homelessness, and people without support, homes, or shelter. We have seen Dave, a homeless college graduate prefer a winter night outside to a shelter located above a morgue. We have served meals in homeless shelters, constructed transitional living units for women recovering from substance abuse, provided companionship to homeless and mentally ill adults and educated youth about hunger and homelessness. We have worked side by side with the director of a six-family shelter, painting, renovating, and helping the residents realize their dream of moving from a church basement to a beautiful three-story house. We have learned that there are many different causes for poverty and homelessness and that stereotyping people oversimplifies complex problems. We have learned that some people think that Dave and these struggling families are to blame for their situation. We hope for a day when no man, woman or child cries from hunger or cold, loneliness or lack of support. We hope for a day when people on public transportation will not move when Dave sits next to them, and when these six families reside in stable and permanent homes of their own.

We have seen a community that feels it is beyond hope, covered with trash and held back by illiteracy, language barriers, and corruption. We have seen one of the oldest garden cemeteries in the nation littered with trash, hypodermic needles and ten years of decomposed leaves, frequented by drug users, vandals, and bored teens with nowhere else to go. We have restored a historic town center, started after school youth outreach programs, educated citizens by teaching English as a Second Language, and shown ourselves and others that hard work and dedication can win over cynicism. We have cleared the entire Garden Cemetery floor for the first time in ten years and gained trust, acceptance and appreciation from nearby residents. We have learned that most members of the community want to overcome racial and economic stereotypes, bridge age and culture gaps, and elect civic-minded officials, but cannot do so without the cooperation of everyone. We have learned that while the Garden Cemetery is being revitalized, surrounding residents clean their sidewalks, dozens of kids help out after school, people offer thanks and advice in all languages, and flowers mysteriously appear in front of certain cemetery plots. We hope for a day when all neighbors communicate without language barriers, all children use their energy constructively instead of destructively, and all people pool their optimism and hard work to strengthen their community. We hope for a day when the Garden Cemetery is a place which represents community pride, where residents once again celebrate their collective histories and diversity.

We have seen the problems of education, environment, homelessness, poverty, and lack of community compounded by our isolation within neighborhoods, race, gender, sexual orientation, educational backgrounds, experiences, class, culture and languages. We have challenged ourselves to face these problems by crossing community lines and moving beyond stereotypes, by sharing and celebrating our lives, and by working together in teams towards common goals. We have learned that we can apply the lessons gained from nine months of community service to the creation of constructive responses to community problems. Every corps member here tonight is sitting next to someone who has taught them that when we know and value each other as individuals, we increase the strength of our community. We hope for a day when all individuals not only know their neighbors, but accept them for their differences and love and honor them as equal members of a greater community.

SALUTE TO JOHN CONNALLY

Mr. DOLE. Mr. President, yesterday was a day of celebration for many Texans, as KAY BAILEY HUTCHISON was sworn into the U.S. Senate.

Today, however, is a day of sadness for Texans, with the death of John Connally.

John Connally first came to Washington 54 years ago, as a staff member of then-congressman Lyndon Johnson.

And over the past half-century, he remained in the arena as Secretary of the Navy, as a three-term Governor of Texas, as Secretary of the Treasury, and as a close adviser to Presidents of both parties.

I was also proud to be able to call John my friend, and to be the recipient of both his support and his advice.

I admired John for many reasons: For his courage, for his candor, but, above all, for his determination to make a difference—a determination that was as big as Texas, itself.

I join with many others here in Washington and across America in extending our sympathies to John's widow, Nellie, and to his entire family.

THE DALAI LAMA IN VIENNA

Mr. MOYNIHAN. Mr. President, I would like to add my voice to the chorus of protests over the abrupt decision to bar the Dalai Lama and Tibet related organizations from all official and parallel activities at the United Nations World Conference and Human Rights in Vienna. This occurred despite the fact that the Dalai Lama and the International Campaign for Tibet had received official invitations to participate. In what can only be described as an Orwellian rewriting of history, all copies of the original conference programs were reportedly confiscated and reissued with Tibet related activities deleted.

I understand that hundreds of conference participants have demonstrated against the banning and that the Non-Government Organization Forum at the conference unanimously adopted a resolution to extend a new invitation to the Dalai Lama.

Mr. President, it is disturbing to see that totalitarianism's bloody hand has been able to manipulate activities at a conference dedicated to promoting human rights in the world. For decades the Dalai Lama has been the preeminent moral force in the world speaking out for nonviolence and human rights. In the end, he and the Tibetan people will prevail.

HUMAN RIGHTS CONFERENCE IN VIENNA

Mr. MOYNIHAN. Mr. President, I am sure that my colleagues read over the weekend that our former President Jimmy Carter was forced to suspend a speech he was to give at the United Nations Conference on Human Rights in Vienna because of a handful of hecklers in the audience. The irony of effectively censoring a speech at a conference dedicated—ostensibly—to promoting free speech is compounded by the fact that the jeers were led by representatives of organizations from one the last remaining Stalinist bastions, Cuba.

Now the conference has refused to permit the Dalai Lama to speak. For decades the Dalai Lama has been the world's preeminent spokesman for the nonviolent pursuit of human rights. His patient, eloquent quest for understanding has brought him the respect of the world and the Nobel Peace Prize. But not, apparently, the right to be heard at the United Nations Human Rights Convention.

These are only the latest disturbing signs that human rights abusers around the globe plan to seize the opportunity to convert the human rights conference into an antihuman rights conference. To argue that the rights declared by the United Nations to be universal 45 years ago are not in fact applicable to all persons.

Mr. President, there may be some who will say, "mere words." But what is the Universal Declaration of Human Rights? Words. Powerful words that are worth defending. Words that have long been accepted as expressing the minimum obligations of states. The United States should not fall into the trap of agreeing to a final declaration that compromises those principles for the sale of consensus with authoritarian—and some totalitarian—states.

If the United States must be in opposition, then let it speak out with vigor. And with pride in having helped draft the declaration which now so annoys the tyrants of the globe.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECESS UNTIL 2:15 p.m.

The PRESIDING OFFICER. Under the previous order, the hour of 1 o'clock having arrived, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, at 1 p.m., the Senate recessed until 2:14 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DECONCINI].

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 3) entitled the 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. 444 (to amendment No. 366), to reduce the individual contribution limit to $500 per election.

The PRESIDING OFFICER. We will proceed with the cloture vote at 2:30. The previous time between 2:15 and 2:30 is reserved, equally divided between the majority and minority leaders.

Who yields time?

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. I ask unanimous consent to speak as if in morning business for 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from South Dakota is recognized.

TRIBUTE TO PETER H. MONROE

Mr. PRESSLER. Mr. President, I rise today to pay tribute to Mr. Peter H. Monroe, who recently resigned as President of the Thrift Depositor Protection Oversight Board, which is responsible for the general oversight of the Resolution Trust Corporation [RTC] and the Resolution Funding Corporation. Peter—a good friend of mine—has had a distinguished career in Government service.

Peter's academic work suited him especially well for the Government positions in which he has served. He graduated, magna cum laude, from Williams College with a bachelor of arts degree in political economics, and went on to Oxford University where he received an Oxford first masters degree. He and I graduated from Harvard Law School about the same time. I recall our successfully teaming together to run for president and vice president of Lincoln's Inn Society—the barristers' club at Harvard. Peter, incidentally, was captain of the tennis team at Williams. He also received an Oxford tennis blue.

In 1970, Peter served his first tour of duty in Washington—first with George Romney at the Department of Housing and Urban Development [HUD] and then with Donald Rumsfeld at the Cost of Living Council. From 1973 to 1978, he was with U.S. Home Corporation, and then until about 1989, he served as president of a commercial real estate development firm in Florida. Prior to his becoming President of the Oversight Board, Peter served as General Deputy Assistant Secretary for Housing and FHA Commissioner at HUD.

In June 1990, Peter took on what I would say was the thankless but important job of being President of the Oversight Board for the Resolution Trust Corporation. Cleaning up the failed savings and loan institutions was—and continues to be—a tremendous undertaking. Through March 1993, the RTC had taken over 738 savings and loan institutions, resolving 654 of them with expected net losses in excess of $100 billion. In doing so, it had protected more than 22 million deposit accounts, returning approximately 92 cents on the dollar. As the Congressional Research Service recently reported:

> Assets taken by the RTC include financial paper (securities, including "junk bonds," mortgages, and other loans) and real property (land, houses, commercial buildings). There are major marketing, legal, environmental, and other difficulties in disposing of these assets, which nonetheless are supposed to be sold quickly. Through February 1993, the RTC had disposed of $344 billion, but still held $96 billion in total assets.

As originally structured, the Oversight Board was made up of the Secretary of the Treasury as Chairman, the Chairman of the Federal Reserve System, the Secretary of Housing and

Urban Development, and two independent members. According to the enabling law, this Board would "make policy and oversee the operations" of the RTC. However, the Federal Deposit Insurance Corporation [FDIC] was responsible for administering the cleanup of the failed savings and loan institutions. How Peter was able to operate so well in this involved setting, I do not know. But no less an authority than L. William Seidman, former Chairman of the RTC and the FDIC, has this to say about Peter in his recently published book "Full Faith and Credit" (page 210):

When Taylor returned to his job at the Fed, Peter Monroe took over as president of the Oversight Board. His background was in real estate and he had worked at the Department of Housing and Urban Development. An experienced bureaucratic operator, he realized, the job's limitations and operated with deference to Robson [Deputy Secretary of the Treasury] and company. He did his best for us at the RTC as well, a tough act to pull off, and was a leader in promoting the RTC's pioneering securitization of commercial mortgages program. Anyone who undertook the job of running the Resolution Trust Corporation Oversight Board could count on wearing the scars for the rest of his or her political life.

Peter Monroe intends to pursue a career that combines his real estate background with knowledge of large-scale real estate disposition strategies and capital markets. We wish him, his charming wife Christy, and their two sons the best of luck. We appreciate and thank Peter for his outstanding Government service.

HOLOCAUST MEMORIAL MUSEUM

Mr. PRESSLER. Mr. President, today I wish to honor the creators of the U.S. Holocaust Museum here in Washington, DC. This museum is a lasting reminder of the genocide which claimed the lives of millions of Jews and others before and during World War II.

On Friday, May 21, I visited the Holocaust Memorial Museum. An anticipated 2 million people will walk through the museum this year. The museum has been enormously popular, leaving many people unable to obtain tickets. As an example of the museum's popularity, its expected 2 million visitors equals the number of people who visit Mount Rushmore National Memorial in my home State of South Dakota each year.

Special notice and thanks should be given to the architect who designed the building which houses the museum, James Freed of the Pei, Cobbs, Freed and Partners architectural firm based in New York. Mr. Freed incorporated several architectural reminders of Nazi concentration camps in his design. The best indication of his talents is his success in making museum visitors feel off-balance and uncertain, much as victims must have felt upon their entry into concentration camps between 1933 and 1945. For example, some of the staircases are slightly bent out of shape and are off-center, inspiring feelings of confusion or apprehension.

I have visited three concentration camp memorials in Germany, including Dachau near Munich, and one in Israel. Each visit, including the tour of the Holocaust Museum here in Washington, inspires in me a myriad of emotions. One of the most important effects of the new museum and other holocaust memorials is that they inspire people to meditate and reflect on the horrifying events of World War II. Also, they strengthen our resolve to prevent the further cheapening or discounting of the worth of any human life. This is particularly relevant now in light of events occurring in Bosnia and other regions of the former Yugoslavia.

I would like to encourage all South Dakotans and others to make touring the Holocaust Memorial Museum a priority during visits to the Washington, DC, area. The lessons that can be learned or reinforced there are invaluable to people of all ages. Again, I salute the creators of the museum, including the U.S. Holocaust Memorial Council and James Freed, for their service to the American public and people around the world.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER (Mrs. FEINSTEIN). Who yields time?

Mr. BOREN. I yield to the majority leader as much time as he might desire.

Mr. MITCHELL. Madam President, we are now in the third week of debate on this bill. I have tried repeatedly, and without success, to get an agreement on when we can vote on final passage of this bill. My repeated requests have been rebuffed and, as of now, we are unable to bring this to a conclusion. Therefore, there will be another cloture vote to attempt to terminate debate at 2:30.

I am advised that all, or almost all, of our Republican colleagues are again going to vote against terminating debate under the circumstances, and therefore, if that occurs, as I expect it will, we will not be able to terminate debate and debate on the matter to continue.

Senator DOLE and I met this morning to discuss the matter. He asked if we would consider taking up and voting on three amendments to be offered, two by Republican Senators, and one by Senator SHELBY. I indicated to him I would be agreeable to doing so and have been all along. It has, frankly, been my hope that we could agree to take up whatever number of amendments we could agree on and then have a vote on final passage. But it is now evident that we are not going to get that.

So I am prepared to state that we will be pleased to consider and vote on, prior to the cloture vote tomorrow, amendments by Senator SHELBY, by Senator DURENBERGER, and Senator JEFFORDS.

The amendment which Senator SHELBY is going to offer, he has indicated to me, is the amendment which has previously been filed at the desk. I understand he is going to offer that, and the understanding is based upon his offering the amendment which he has previously filed and indicated he is going to offer. Senator BOREN has discussed with Senators DURENBERGER and JEFFORDS the subject matter of their amendments, so we know what those are.

There will be another cloture vote tomorrow, since I do not expect we will be able to obtain cloture today. I simply say to my colleagues that we are not going to continue on this bill indefinitely. We are now in the third week, and we have other matters to which we must attend. Ultimately, if we are not able to get cloture and proceed, of course, it will be obvious to all the circumstances which led to that result.

Madam President, how much time do I have remaining?

The PRESIDING OFFICER. The majority leader has 3 minutes, 30 seconds remaining.

Mr. MITCHELL. I would simply like to close with an appeal to my colleagues to bring this debate to an end. This is an important matter. A majority of the Senate favors the bill. A minority of Senators, under the rules of the Senate, have the power to prevent a vote from occurring on the bill. That is what is now transpiring. I have been attempting as best as I can to accommodate every appropriate and legitimate request by our colleagues on the other side of the aisle.

But it is very distressing when we go 3 weeks on a bill, and when a Senator can offer an amendment any time he or she wants, and all of a sudden, at the very end say: Well, wait, I have to offer this amendment. And that is accompanied with a statement that no matter what we do, we cannot get an agreement on final passage of the bill. So I hope my colleagues will join us in supporting this bill.

American political campaigns are too long and too expensive. The central feature of this bill is a cap on spending, a limit on spending. That is what we need in American political campaigns—to put a limit on the amount of money that is spent. That is a part of this legislation. And I hope my colleagues will join in permitting us to vote on the bill. If a Senator does not want to vote for the bill, that is his or

her privilege; anybody can vote against it. If the bill becomes law and the Senator does not want to participate in the system, he or she need not do it. It is a completely voluntary system. All we are asking is to let us have a vote on the bill which a majority of the Senate clearly favors and which I believe is a badly needed reform.

I reserve the remainder of my time.

Mr. McCONNELL. Madam President, I yield to the Senator from Maine 1 minute.

Mr. COHEN. Madam President, if I could respond very briefly. The majority leader indicated there would be an opportunity for at least three amendments to be debated this afternoon and, hopefully, more before the next cloture vote tomorrow.

Let me indicate that Senator DOMENICI and I stand ready, willing and able to proceed this afternoon at any time to offer our amendment dealing with the ratio of in-State versus out-of-State contributions. So we could stay as late as necessary or come in early tomorrow. But there should be no limitation on those who would like to go forward today or tomorrow before the next cloture vote.

Mr. MITCHELL. Madam President, no request was made of me with respect to the Senator's amendment, but we will be pleased to consider that along with others.

Mr. COHEN. I was told at noon today that there was an agreement that we were going to proceed at 5. That is why I was taken aback a little bit.

Mr. MITCHELL. I know nothing about that. But I will look into it to accommodate my colleague. I want to point out the situation we are in. We are being asked to accommodate Senators on that side, to hear as many amendments as they want to offer. Meantime, our requests for reciprocal accommodation, which is that, fine, we will consider any amendments you want to offer, but let us have a time when we can vote on the bill, is being rejected.

I want to make that clear. We are certainly going to do the best we can for the Senator, but I am prepared to ask: Can we get a vote on final passage of this bill tonight? The answer is no. Can we get a vote on final passage of this bill not later than 6 p.m. tomorrow?

Mr. McCONNELL. I say to my friend that his answer is correct; the answer is no.

Mr. MITCHELL. Could we get an agreement that we have a vote on final passage of this bill Thursday night at 6 o'clock?

Mr. McCONNELL. I say to my friend from Maine it depends on what happens to the amendments that we hope are going to be offered later this afternoon.

In short, nothing has changed between the previous cloture vote and this one. The bill has not been altered one iota. This is essentially the same vote we had last Thursday night.

For those who would like to cast their votes against a bill to provide taxpayer funding of political campaigns I would suggest that those Senators would oppose cloture shortly.

Mr. MITCHELL. Madam President, I keep saying this is a filibuster. I keep being told it is not. There is an easy way to put that to a test.

I ask unanimous consent that the Senate vote on final passage of the campaign finance reform bill not later than 6 p.m. this evening.

Mr. McCONNELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MITCHELL. Madam President, I ask unanimous consent that the Senate vote on final passage of the campaign finance reform bill not later than 6 p.m. tomorrow.

Mr. McCONNELL. I object.

The PRESIDING OFFICER. There is objection.

Mr. MITCHELL. Madam President, I ask unanimous consent that the Senate vote on final passage of the campaign finance reform bill not later than 6 p.m. on Thursday.

Mr. McCONNELL. I object.

The PRESIDING OFFICER. There is objection.

Mr. MITCHELL. I could go on for each day. I think the point has been made. I rest my case.

Mr. HELMS. Regular order.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired.

Under the previous order, the hour of 2:30 p.m. having arrived, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Mitchell-Ford-Boren amendment No. 366 to S. 3. the Congressional Spending Limit and Election Reform Act:

David L. Boren, Carl Levin, Wendell Ford, Dale Bumpers, Thomas Daschle, Howard Metzenbaum, Jeff Bingaman, Tom Harkin, John F. Kerry, Joseph Lieberman, Daniel Patrick Moynihan, Herb Kohl, Harris Wofford, David Pryor, Paul Simon, and Max Baucus.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the Mitchell-Ford-Boren substitute amendment to S. 3, the Congressional Spending Limit and Election Reform Act, shall be brought to a close.

The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Indiana [Mr. MATHEWS] and the Senator from Georgia [Mr. NUNN] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Pennsylvania [Mr. SPECTER] is absent due to illness.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 52, nays 45, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—52

Akaka	Feinstein	Mikulski
Baucus	Ford	Mitchell
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boren	Harkin	Murray
Boxer	Heflin	Pell
Bradley	Hollings	Pryor
Breaux	Inouye	Reid
Bryan	Johnston	Riegle
Bumpers	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Campbell	Kerry	Sarbanes
Conrad	Kohl	Sasser
Daschle	Lautenberg	Simon
DeConcini	Leahy	Wellstone
Dodd	Levin	Wofford
Dorgan	Lieberman	
Feingold	Metzenbaum	

NAYS—45

Bennett	Exon	Mack
Bond	Faircloth	McCain
Brown	Gorton	McConnell
Burns	Gramm	Murkowski
Chafee	Grassley	Nickles
Coats	Gregg	Packwood
Cochran	Hatch	Pressler
Cohen	Hatfield	Roth
Coverdell	Helms	Shelby
Craig	Hutchison	Simpson
D'Amato	Jeffords	Smith
Danforth	Kassebaum	Stevens
Dole	Kempthorne	Thurmond
Domenici	Lott	Wallop
Durenberger	Lugar	Warner

NOT VOTING—3

Mathews	Nunn	Specter

The PRESIDING OFFICER. On this vote, the yeas are 52, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Madam President, we have had some discussion on the bill, as you heard just a moment ago, from the majority leader and the floor leader on the other side about various amendments.

I see the Senator from Alabama. If I might have his attention? I know the Senator from Alabama has an amendment which he wishes to offer. I would like to just inquire of the Senator from Alabama, is this the same amendment that was previously filed?

Mr. SHELBY. It is the previous amendment.

Mr. BOREN. There are no changes in the amendment previously filed?

Mr. SHELBY. No changes.

Mr. BOREN. Madam President, what I would like to suggest, if we could just take a moment before we begin the consideration of the amendments, perhaps if I could sit down with the leader, the Senator from Kentucky, the floor manager on the other side, we might work out a list of these amendments. There have been three mentioned. There are a couple of others which have come to our attention. The Senator from Maine, Senator COHEN, wishes to offer an amendment; Senator DURENBERGER; the Senator from Vermont, Senator JEFFORDS; the Shelby amendment; there is also an Exon amendment; and a Cohen amendment on this side, I believe it is Cohen, and Domenici.

The PRESIDING OFFICER. Will Senators please come to order?

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

I wonder if, before we proceed, we might just be able to take a moment to work together with each other to see the sequence in which we might be able to take up these amendments. There is also a possibility we might be able to get all of the amendments offered tonight, perhaps, or at least the vast majority of them offered, with debate and perhaps vote on them in the morning. In that way, we would be able to get all of them before us.

So I wonder if we might just be able to take a moment here, if my colleague would be willing, and discuss with the authors, and among ourselves, what would be the most convenient time in order of sequencing of these amendments.

I would be happy to yield to my colleague from Kentucky.

Mr. MCCONNELL. The Wellstone amendment is the pending business, am I correct?

Mr. BOREN. I discussed this with the Senator from Minnesota [Mr. WELLSTONE] who is willing to set aside his amendment to allow us to work out an agreement for the other amendments to be offered.

Mr. MCCONNELL. The Senator from Alabama has been waiting patiently for a number of days and would like to go forward. I see the Senator from Minnesota. My colleague mentioned Senator COHEN has an amendment.

Mr. BOREN. Senator EXON has an amendment also.

Mr. MCCONNELL. Senator JEFFORDS, Senator EXON—if I may suggest, why do we not proceed with the Shelby amendment and let me see if there are any others really pressing?

Mr. BOREN. Madam President, I have not had a chance to talk to my colleague from Minnesota. We were going to have some private discussion, I think, later this afternoon, specifically in regard to the amendment of the Senator from Minnesota. I think the amendment of the Senator from Vermont is almost worked out.

I wonder if we might be able perhaps to deal with the amendment of the Senator from Alabama, let it be debated at least now. We need to have some discussion off the floor, and then perhaps the Senator from Vermont and then depending upon whether or not we get worked out the language, perhaps in a shape to which it can be agreed on this side, with the Senator from Minnesota. I think it has some problems being worked out. We might not go immediately to it after those two, depending on how we are progressing, in terms of our discussion perhaps getting it in shape to be accepted.

The PRESIDING OFFICER. The Senator from Minnesota?

Mr. DURENBERGER. Madam President, I came to the floor initially to explain my vote on cloture, and also my views on the subject that is now being discussed by the two managers of this bill. I do have an amendment which has been printed. It is at the desk. I intend to call it up at the appropriate time. It seems to me the appropriate time is after we have had an opportunity to deal with the amendment offered by our colleague from Alabama.

Just for what it is worth, I would like to take some time right now, just a few minutes, to explain my vote and engage in whatever discussions might be appropriate. There is a connection for a lot of people here between part of the subject matter of the amendment by our colleague from Alabama and the subject matter of my amendment. I think I would have to oppose the notion we could debate them separately and vote on them at another point. I think it would be more appropriate to get the issues in the amendment of my colleague from Alabama out here on the floor, have that debated and decided before we get to other issues.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Madam President, certainly I am not at all trying to suggest the order of debate in these matters or when discussion should occur in these matters. But in terms of sequencing the votes, I hope, perhaps, as the amendment of the Senator from Minnesota would be a focal point of some of our discussions off the floor this afternoon, that we at least would not push that to a vote. If we are in a position of getting an agreement, where this amendment could be acceptable to both sides of the aisle, which is my fervent hope, we will be able to do that. But certainly making sure the Senator from Minnesota gets not only a discussion, but vote, on his amendment prior to cloture.

If we do not reach an agreement under which we can accept the amendment, the Senator from Minnesota certainly will get a vote on his amendment. I hope we would not rush to a vote on his as long as we are having good faith discussions off the floor. But, certainly, if we do not reach a conclusion, we will go to a vote prior to cloture. But I think the amendment of the Senator from Vermont, which is on disclosure of nonparty soft money and related subjects, is virtually complete, to the point of it being acceptable or very close thereto, I think, by the time we get to it this afternoon.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. I do not know how to answer the question relative to pushing my amendment to a vote. If I say I do not want to push it to a vote, then it will appear I have been sitting around here for 3 weeks and I am one of the people who is to be accused of filibustering, and so forth. I am not. I do not know of anyone here who really has, on this side of the aisle or the other side.

So, yes, I would like to get my amendment up. But I think there is a sense among all of us, particularly those who have been engaged in some discussion over this issue, that there is an appropriate relationship between some of these amendments.

There ought to be a thorough debate over the amendment, hopefully a favorable disposition of the amendment by the Senator from Alabama, before there is a discussion of these other amendments. Then I will take all the appropriate time that the body allows me to discuss and debate my amendment and have a vote on it. Whether that occurs tomorrow or the next day is of no difference to me.

Mr. BOREN. Madam President, I thank my colleague. I think we are saying the same thing. Certainly, this Senator has not, and I do not think anyone else on this side has suggested for a moment, at any time, the Senator from Minnesota is one of those delaying the process. In fact, he has been engaged in very constructive discussion. I know he hopes, as I hope, we will find a way to reach common ground. We are working very hard to do that. And I think by all means, no one here is suggesting there not be a vote as well as discussion on the amendment of the Senator from Minnesota prior to the cloture vote tomorrow, if, indeed, that is appropriate. If the Senator desires it, certainly, this Senator wants to see that happen.

Perhaps the best thing would be to allow the Senator from Alabama to proceed at this point. We might let the Senator from Vermont [Mr. JEFFORDS] know if, indeed, his could be disposed of, I suggest my colleague from Kentucky, with very little debate and very quick action, which may well be possible. And then the Senator from Minnesota begin discussion—in fact, he may want to begin discussion in terms of the Shelby amendment and how it relates to his amendment. Then we will continue our discussions and see how far we get. Then we will have a much

better sense, after we have had a chance to talk, I believe in a few hours this afternoon—sooner than that, I think—to see, at a proper time, when would be the proper time to vote.

I suggest to my colleague, after Senator SHELBY, we might allow the Senator from Vermont to offer his amendment, or debate on the amendment of the Senator from Minnesota. I would like to serve notice, however, on this side of the aisle, in addition to Senator COHEN's amendment, which was new since the discussion between the two leaders, new in the sense that the two leaders did not discuss it—we have all known there was an amendment by Senator COHEN and Senator DOMENICI—I would like to find a way, as I said to Senator COHEN, to accommodate him by giving him a chance to debate and have a vote on his amendment prior to the vote on cloture tomorrow. I would also like to give Senator EXON an opportunity to offer his amendment prior to a vote. And I am informed that Senator DORGAN, who has an amendment similar, at least in part, to the amendment of Senator DURENBERGER, depending upon the disposition of these other amendments, that we reserve the opportunity for him, too.

It may mean we may need to set by unanimous consent the time for the cloture vote in order to accommodate these amendments to be offered prior to the cloture vote tomorrow.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I am also told the Republican leader has a couple of amendments as well. We will try to work on that.

I suggest we allow Mr. SHELBY to go ahead.

Mr. BOREN. Madam President, I think that is a good suggestion. We will continue to compare notes as we go along while the Senator from Alabama proceeds to offer his amendment.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SHELBY. Madam President, just to inquire, has the Wellstone amendment been laid aside temporarily?

The PRESIDING OFFICER. Yes, it has. I believe the Senator from Oklahoma said it had been. The Wellstone amendment; has it been laid aside?

Mr. BOREN. Madam President, I discussed this with Senator WELLSTONE. I ask unanimous consent that the amendment of the Senator from Minnesota [Mr. WELLSTONE] be temporarily set aside so that the Senator from Alabama [Mr. SHELBY] can be recognized to offer an amendment in the form previously printed.

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

AMENDMENT NO. 445, AS MODIFIED

(Purpose: To strike the provisions relating to public funding of Senate election campaigns)

Mr. SHELBY. Madam President, once again we have before us the difficult task of addressing campaign finance reform. Each year, for the past three Congresses, we have attempted to pass legitimate and effective reform measures. Each year, for one reason or another, we failed to do so.

This year, the American people have spoken loud and clear as to their desire for congressional campaign reform, and I believe we would poorly serve the American people if we do not heed their call for reform. Nonetheless, I believe it is obvious, from the bill before us today, that some Senators have misconceived what the American people are asking for. The American taxpayers never figured that they would be forced to finance the cleanup of a house that Congress built.

This bill before us is supposed to be financed from revenues gained from the elimination of the lobbyist deduction. It seems only logical. Many Americans view lobbyists as part of the problem that requires reform. Therefore, making lobbyists pay for the reform, by the loss of the deduction, seems completely reasonable. It does seem logical, and even kind of clever. The lobbyist deduction is also easy to explain to the American people, and when asked whether they think lobbyists should bear the burden of campaign finance reform, a majority of Americans support such a proposal.

Look at any poll you like, and most Americans will say they support reform. Everyone supports reform of some sort. But ask them if they are willing to pay for it through higher taxes, and the answer changes dramatically.

We all know the mentality, Madam President: "Don't tax you, don't tax me, tax the guy behind the tree." We have heard that for years. That is exactly what this bill does. But the guy behind the tree is not the lobbyist; it is the American taxpayer.

What is deceptive about the lobbyist deduction and even the checkoff on everyone's tax form is that the money all comes from the same place. It comes from the average taxpayer one way or another. Just because the bill creates a special Senate election campaign fund, this does not change where the money comes from and where the money goes. The money comes from the taxpayers, and it goes to new Federal spending. This deduction is just one of several trade or business deductions.

So when a corporation, or an individual, fills out their tax form, the deduction is just one component of their overall tax liability. It would be almost impossible to determine how much revenue the repeal of the deduction represents. This bill proposes to spend that amount of taxpayer money which represents the increase in Federal revenue from the deductions repealed.

Mr. DURENBERGER. Will my colleague from Alabama yield for a question?

Mr. SHELBY. I will be glad to yield.

Mr. DURENBERGER. As I indicated earlier, I support the amendment of my colleague from Alabama. But I came to the floor originally for the purpose of explaining my vote on cloture. I am curious as to whether it would be inconvenient to my colleague if I took 5 minutes, at this point.

Mr. SHELBY. I will do that after I finish my opening statement.

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

Mr. SHELBY. Madam President, how can they legitimately distinguish what amount represents the loss in lobbying deduction versus what amount reflects the increase of deductibility of meals and entertainment expenses? The fact is, the revenue, whatever it may be, is hidden and, therefore, it is almost impossible to determine how much revenue is generated by the lobbyist repeal.

Let me share with you this first chart. This is not taxpayer funded. This is taxes in general. An inland waterway tax, for example; a tax on Social Security; on this chart it shows a Btu tax, but that is gone now; a tax on other revenue; repeal of the lobbyist deduction, it all goes in; personal income tax, it goes in one big bucket; Government spending, including public funding of campaign finance reform. You can tell by the chart.

Madam President, now that we know that we are dealing with one pot of indistinguishable taxpayer money, it is easier to recognize what this bill stands for. It stands for new Federal spending. This bill proposes to create an entitlement program for politicians which will be paid for by revenues taken from the Treasury, as the chart shows.

The money is not being used to offset any existing program or to pay down the deficit. It is going to an entirely new Federal entitlement program. Make that clear. After a year of hearing about cutting the deficit and cutting spending, now we are supposed to create a new spending program in the name of reform. Not only is this new spending, but to honestly believe that we can fund such an expensive program with the elimination of the deduction is absurd.

There is no guarantee that revenues from this deduction will even be realized, much less on a steady or an increasing basis. Are we to assume that lobbyist expenses will continue to be incurred and reported the same way and in the same amount as they have in the past? Such an assumption fails to recognize that taxes encourage taxpayers to find loopholes or otherwise lower their tax liability. That is just common sense.

Putting aside the difficulties of being able to monitor whether Uncle Sam is spending only the amount actually received from the deduction elimination, we not only have new Federal spending, we are counting the same revenue

raiser twice. The House has already included the lobbyist deduction in their budget reconciliation bill.

So the revenues we are looking at, and the ones proponents of this bill are counting on, are already accounted for and being used to reduce the deficit.

Let me show you chart 2, which reflects this: "Who's Counting?" This is the summary of the 1994 budget reconciliation which comes out of the House. In this, they already counted the money that would go to the Treasury with the elimination of the lobbyist deduction. Any way you cut it, you cannot spend the same dollar twice. So if the lobbyist deduction is used to finance congressional campaigns, the American taxpayer can expect a tax increase or cut somewhere else to offset this new entitlement. In fact, the taxpayer gets hit twice: First, by publicly funding campaign finance reform and; second, with an offsetting increase or cut, maybe through an increase in the proposed energy tax rate or an even higher tax on Social Security benefits.

Not only is taxpayer financing of this bill a bad idea, it is one that we have already tried. Look at the Presidential election campaign fund. First, how can we legitimately believe that the American taxpayer supports funding of congressional campaigns when only 19 percent—19 percent—of Americans now voluntarily check off $1 on their tax forms? I would say just one thing about the checkoff. When a taxpayer checks the box on his or her tax form, they are not reducing their tax liability by $1 and they are not paying $1 above the tax liability. They are authorizing Uncle Sam to spend $1 from the Federal Treasury to pay for Presidential election campaigns.

Second, arguments that taxpayer financing, hand in hand with spending limits, somehow lowers the cost of campaigns and facilities the entry of third-party challengers is tenuous, at best. Look at the 1992 Presidential election we have just put behind us.

The only viable third-party candidate was Ross Perot, a billionaire, and he chose to finance his own campaign rather than ask the American taxpayer to subsidize him.

Mr. President, if we look back to the 1992 Presidential campaign, we find that American taxpayers were not questioning how much Ross Perot was spending on his campaign. They were not suggesting that he was doing something wrong by financing his own campaign and spending what he thought was necessary to get his message across to the American people. In fact, Mr. President, the American taxpayer was grateful to him for not accepting the Presidential entitlement and taking a multimillion-dollar Federal subsidy.

Mr. President, American taxpayers should not be forced to pay for campaign finance reform. It is not the only way to achieve legitimate and effective reform. According to the Supreme Court in Buckley versus Valeo, mandatory spending limits or limits on expenditures are unconstitutional. We know that. The Court suggested, however, in a footnote, that Congress might condition spending limitations on a grant of public funding. That is what undergirds this bill.

Now, notwithstanding the supposed voluntary nature of the proposed spending limits in this bill, spending limits are not the only answer, Mr. President, to the problems of campaign finance. Contribution limits are more effective. They are less subject to constitutional challenge and the least burdensome to the American taxpayer. Intuitively, if you limit what a campaign can receive, that is, you limit how much a campaign can raise, you have imposed a restraint on the amount a campaign can spend. We all know that.

Again, if you limit what a campaign can receive, you limit how much a campaign can raise, then you have imposed a restraint on the amount a campaign can spend. Stricter reporting requirements, a flat ban or stronger prohibitions on PAC's, soft money and bundling ensure that contribution limitations may be as effective in limiting spending as anything.

We should look, I believe, to further strengthen these provisions without placing the onus of reform on the American taxpayer. These electoral practices and funding mechanisms have much more to do with campaign finance reform than does simply subsidizing political campaigns with taxpayer money. Let us close the loopholes, Mr. President, and tighten the restrictions on special-interest influences and the benefits of perks before we turn to the American taxpayer to bail us out.

Mr. President, today Senators MCCONNELL, NICKLES, PRESSLER, and I have proposed an amendment that is before the Senate that does just this. It simply removes the taxpayer financing provisions of the bill. The amendment has several purposes.

First, it removes the American taxpayer as the insurer of campaign reform.

Second, it allows needed revenues to be used against deficit reduction rather than new entitlement spending for politicians.

Third, it sends a message to the American taxpayer that we are serious about reducing the deficit, cutting spending and alleviating the tax burden on middle-class taxpayers.

Mr. President, I would like to close my remarks by simply reemphasizing one point. There would be no greater irony here than for Congress to pass this bill in the name of reform while at the same time creating a taxpayer funded entitlement for its Members.

Mr. President, I believe that the American taxpayer should not be the insurance carrier of campaign finance reform. Legitimate, bipartisan, effective campaign finance reform is achievable if we start right off by removing provisions in the bill which authorize taxpayer funding. I urge my colleagues to support my amendment.

Mr. President, at this time, I would like to call up my amendment. It is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY], for himself, Mr. MCCONNELL, Mr. NICKLES, and Mr. PRESSLER, proposes an amendment numbered 445, as modified.

Mr. SHELBY. 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 4, strike line 4 and all that follows through page 37, line 5, and insert the following:

Subtitle A—Restrictions on Activities of Political Action and Candidate Committees

On page 50, strike line 23 and all that follows through page 51, line 19, and insert the following:

(a) BROADCAST RATES.—Section 315(b)(1) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)) is amended—

(1) by striking "forty-five" and inserting "30"; and

(2) by striking "lowest unit charge of the station for the same class and amount of time for the same period" and inserting "lowest charge of the station for the same amount of time for the same period on the same date".

On page 52, strike line 22 and all that follows through page 54, line 4.

On page 54, line 5, strike "133." and insert "132.".

On page 57, line 1, strike "134." and insert "133.".

On page 59, line 14, strike "135." and insert "134.".

On page 59, strike lines 18 through 20.

On page 59, line 21, strike "(20)" and insert "(19)".

On page 60, line 1, strike "(21)" and insert "(20)".

On page 60, line 10, strike "(22)" and insert "(21)".

On page 60, strike lines 17 through 25.

On page 61, line 1, strike "(24)" and insert "(22)".

On page 61, line 4, strike "(25)" and insert "(23)".

On page 61, line 14, strike "(26)" and insert "(24)".

On page 61, line 19, strike "(27)" and insert "(25)".

On page 62, line 1, strike "(28)" and insert "(26)".

On page 62, line 4, strike "(29)" and insert "(27)".

On page 62, line 18, strike "136." and insert "135.".

On page 68, strike line 7 and all that follows through page 69, line 4, and insert the following:

"(B) A licensee who is informed as described in subparagraph (A) shall, if any of the candidates described in subparagraph (A)(ii) has provided the licensee the name and address of a person to whom notification under this subparagraph is to be given—

"(i) notify such person of the proposed making of the independent expenditure; and

"(ii) allow any such candidate (other than a candidate for whose benefit the independent expenditure is made) to purchase the same amount of broadcast time immediately after the broadcast time paid for by the independent expenditure.

On page 69, strike lines 7 through 9.

On page 69, line 10, strike "(5)(A)" and insert "(4)(A)".

On page 70, line 5, strike "(6)(A)" and insert "(5)(A)".

On page 73, line 23, strike "(30)" and insert "(28)".

On page 74, line 3, strike "(31)" and insert "(29)".

On page 76, line 7, strike "301(29)(B)" and insert "301(27)(B)".

On page 77, line 24, strike "301(31)" and insert "301(29)".

On page 92, line 7, strike "301(31)" and insert "301(29)".

On page 122, line 25, through page 123, line 2, strike "or to an authorized committee of an eligible Senate candidate subject to audit under section 505(a)".

On page 136, strike lines 11 through 24.

On page 137, line 1, strike "803." and insert "802.".

On page 137, line 2, strike "Except as provided in sections 101(c) and 121(b), if" and insert "If".

On page 137, line 9, strike "804." and insert "803.".

On page 137, line 20, strike "805." and insert "804.".

Mr. SHELBY. Mr. President, I would just like to add this. The American taxpayer does not want to finance congressional campaigns, particularly at a time when cutting the deficit and cutting spending is a priority to the American taxpayer. This bill not only ignores these two priorities, it runs counter to both of them.

The National Taxpayers Union supports the amendment that I am offering today for this very reason, and I ask unanimous consent that a copy of their statement on taxpayer financing be printed in the RECORD.

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

NATIONAL TAXPAYERS UNION,
Washington, DC, June 10, 1993.

DEAR SENATOR. The National Taxpayers Union, America's largest taxpayer organization, strongly supports the proposed amendment by Senators Richard Shelby and Mitch McConnell to eliminate taxpayer financing provisions from the "Congressional Spending Limit and Election Reform Act of 1993."

At a time when the national debt has passed the $4 trillion mark and the annual budget deficit continues to grow, public financing of any kind for congressional campaigns is totally unacceptable.

President Clinton has proposed that the current tax deduction for lobbying expenses should be repealed to provide the funding for public financing of federal campaigns. While this may sound reasonable, the end result is another taxpayer rip-off. First, one whole class of taxpayers loses a deduction for what has long been a legitimate business expense. Second, and most importantly, the revenue saved by this tax increase doesn't go to pay down the debt, reduce the deficit, or lower taxes for other Americans. Instead, it goes toward more new government spending, this time for political campaigns.

Serious Constitutional questions also arise from the public financing proposals in the campaign reform bill. These, too, have the undesirable side effect of massive infusions of taxpayer cash.

First is the issue of when candidates exercise their constitutional right not to participate in spending limits. The taxpayer is punished in this case because the opposing candidate receives an additional subsidy from Uncle Sam as soon as the non-participating candidate spends more than the limit. The more that is spent by the non-participating candidate, the higher the taxpayer subsidy to the opponent.

The next issue is when an organization or group spends its own money and makes an independent expenditure on behalf of a House candidate. The other candidate then receives an even larger taxpayer subsidy to offset the independent expenditure. The final costs to the taxpayers in this case could be astronomical. Even worse is the concept that the government should subsidize a candidate's paid response to material prepared by ordinary citizens who organize, and are financed through private donations.

We commend Senator Shelby and Senator McConnell for their efforts to remove taxpayer funding from this bill. NTU urges all Senators to vote for the Shelby-McConnell amendment to eliminate public financing of congressional campaigns from the campaign finance reform bill now before the Senate.

Sincerely,

DAVID KEATING,
Executive Vice President.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER (Mr. WELLSTONE). The junior Senator from Kentucky is recognized.

Mr. MCCONNELL. I commend my friend from Alabama for his important amendment and for also including in the RECORD—I assume the inclusion was the June 10 letter from the National Taxpayers Union.

Mr. SHELBY. That is correct, the June 10 letter.

Mr. MCCONNELL. The letter from the National Taxpayers Union indicating their strong support for the Shelby-McConnell amendment and the opposition to taxpayer funding of elections.

In addition to that, the Detroit News just last week—I do not see the date on here, but I know it was just a few days ago—editorialized in opposition to the underlying bill. I ask unanimous consent that that article appear in the RECORD at this point as well.

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

[From the Detroit News]

MORE INCUMBENT PROTECTION

The Clinton administration and Democratic leaders in the Senate are pushing hard for campaign finance "reform." When politicians of any party agree on election rules, however, it usually means that they have found a clever way to consolidate power at someone else's expense. The current bill offers little more than increased protection for incumbents.

Under the proposal, candidates would agree to limit spending in House and Senate races and forgo certain kinds of campaign contributions. In exchange, the government would fork over money for radio and television ads—20 percent of the campaign spending ceiling.

Sen. Mitch McConnell, R-Ky., has led a broad assault against the sham reform. He begins by noting that the bill violates the First Amendment. It does so first with spending limits—$600,000 for House races; up to $8.2 million for Senate campaigns, depending on the size of the state.

Once a candidate reaches the limit, nobody else may contribute. Yet the Supreme Court long ago ruled that campaign contributions are a form of political "speech." Money limits hence constitute limits on speech—or more precisely, on direct voter participation in elections.

If a challenger decides to shun the spending limits, he or she would have to attach to campaign advertisements a disclaimer noting that they have refused to comply with voluntary campaign spending restrictions. This insinuates that they have engaged in underhanded efforts to thwart democracy. Meanwhile, their opponents would get subsidies to offset the challenger's extra efforts.

Perhaps the most outrageous amendment would restrict citizens' freedom to support politicians or criticize their opponents. The writer of a letter for publication in a local newspaper, for example, would first be required to send "exact copies" to the Federal Elections Commission and the state secretary of state by noon of the day the letter went into the mail. Violators would have to pay fines. Sens. Donald Riegle and Carl Levin both voted for this outrageous hindrance to free speech, which was sponsored by Sen. Robert Graham, D-Fla.

In the end, the bill simply defies common sense. Nobody seriously believes that politicians will observe strict spending limits. The administration's own manager of this bill, Michael Waldman, has noted that "Where you put up a wall, the money will eventually find its way to flow around. . . ." The spending limits in the bill will just hide relevant financial transactions and make politics even more susceptible to corruption.

The present system, with all its high costs and glitz, works better than this reform. We continue to believe that disclosure, rather than government control, is the best antidote to election-buying.

In the past week, for instance, Sens. Donald Riegle and Daniel Patrick Moynihan have been forced to cancel fund raising events because of the potential embarrassment of getting vast sums of money from interested parties—in Sen. Riegle's case, in direct violation of a campaign pledge. At the end of last week, the Federal Election Commission also released finance reports from last year's election campaigns showing who got what from whom.

If Congress wants a real reform, it ought to broaden disclosure requirements and impose term limits. The Democratic bill would do little to make elections more competitive. It would strengthen incumbency's advantages and make politicians even less responsive to voters.

Mr. MCCONNELL. Mr. President, there has been a lot said—and I hate to say this in his absence, but we have discussed it before—by the majority leader about the so-called gridlock. Some in the majority act as if it were a crime to demand that all taxpayer financing and limits on free speech be removed before we agree to vote on final passage of the bill.

I, personally, fail to see what is so offensive about using the rules of the

Senate—legitimately—to protect the interests of taxpayers and the interests of the first amendment of the Constitution.

What is patently offensive is to impute improper motives to Senators who are acting entirely within their rights to change a bill which they—and a great many others, as Senator SHELBY has pointed out—find to be unnecessarily costly and constitutionally flawed.

Do not take my word for it. Listen to what others say. Ross Perot, quoted in the New York Times just the other day, pointedly said he saw nothing wrong with efforts by Senate Republicans to block legislation by filibuster. This is what Mr. Perot said: "Those are the rules of the Senate," he noted. "Both parties can do it."

And I would add both parties frequently do.

The distinguished President pro tempore, quoted in the Washington Post recently I believe. According to the chairman of the Appropriations Committee:

The Senate is supposed to be a forum of debate, and a forum in which a subject can be studied, debated, amended, maybe killed. The Founding Fathers did not have in mind making this Senate an 'efficient,' smoothly operating piece of legislative machinery. It was meant to slow down the process.

And my colleague and comanager on this bill, Senator BOREN, speaking on the floor while obstructing the President's stimulus package, said:

Mr. President, I am willing to take as much time as it takes to try to bring to the attention of my colleagues the need to send this message now. If it takes an hour, it will take an hour. If it takes a day, it will take a day. If it takes a week, it will take a week.

That was my colleague and friend, Senator BOREN, just earlier this year.

Senator BOREN, again, speaking on the same matter:

I am not trying to be an obstructionist. I think the discussion we have had before in terms of laying out our concerns and our feelings, and putting it into context, have been beneficial. And it is my hope that, whether it is tonight or in the evening hours tomorrow, we will find a way.

Senator BOREN, speaking on the same matter responding to the accusation that he was conducting a filibuster, said:

This Senator, as I say again, has no desire to see us get into a confrontation or prolonged delay. This Senator is not using any term to describe the discussion we are now involved with. I say again, we have not sent the amendment to the desk because we still hope there will be some way of making it acceptable to the vast majority of people, and we are having discussions on and off the floor in that process. It is not an unusual circumstance for us to attempt to do that. We are having quite a discussion about the issue at the same time. I would say to my colleague that I hope we will be able to work this out. I go back to the point I made before: This is going to be a long process.

That was Senator BOREN earlier this year.

The majority leader, in the process of the blocking of President Bush's capital gains tax proposal said:

What has happened to the idea of letting the majority be the majority? The question really should be, what has happened to the idea of fairness?

Said Senator MITCHELL:

When one side takes advantage of the existing Senate rules to prevail on numerous occasions * * * and then, when the tables are turned, suggests there is an unfairness in those rules, they are applying a double standard that is unworthy of this Senate. The rules apply to all Senators. The rules apply to all issues in the same way.

The majority leader went on:

We do no justice to the Senate or to a particular cause which we seek to advance when we attempt to adopt a double standard as is clearly being proposed here, that says when the rules are in my favor, I want to exercise my rights under them to the fullest. But when the rules are in your favor, it is unfair for you to do the same thing.

Senator MITCHELL went on:

Mr. President, the rules are not going to be waived in this or any other instance. So I urge my colleagues to pursue as vigorously as anyone wants their position, but do not begin to suggest that we change the Senate's rules in a way that severely impairs the rights of minorities. There are not going to be any double standards in the Senate now or as long as I serve as majority leader.

The point I make is that Senators on both sides have, at times, delayed passage and sometimes defeated passage of bills they felt were not in the best interest of the country. There is nothing immoral or inappropriate about that. Should that become necessary with this legislation, certainly no apologies would be made.

Mr. President, specifically with regard to the amendment of the distinguished Senator from Alabama, this will be a telling vote. It will separate not only those who favor taxpayer financing from those who do not, but also those who really do not want reform from those who do. If adopted, the Shelby-McConnell amendment would drive the Senate through the two major roadblocks to true campaign finance reform: taxpayer financing and spending limits. By finally setting those two divisive issues aside, this amendment would pave the way for bipartisan reform.

If our amendment is not agreed to, then this entire debate has been an exercise in futility, because even if this bill were not filibustered to death in the Senate, it surely would be killed by the Supreme Court. In fact, the bill is wired to self-destruct in a court challenge. One could not imagine the bill's sponsors going to greater lengths to ensure that their legislation never sees the light of day.

In opposition to this amendment, we will be told that it strikes at the heart of reform, that there can be no reform without spending limits. That can only be a threat, because it certainly is not a true statement. The contention that there can be no reform without spending limits must mean that if spending limit proponents to do not get their way, they will block any reforms from taking place.

No PAC ban, no bundling ban, no closing of the millionaire's loophole, no restrictions on soft money, no disclosure of labor unit soft money, no campaign cost reduction, no lobbying contribution ban. Nothing. If we do not get our way on spending limits in public finance, nothing.

Make no mistake, the real guardians of gridlock are those who are holding campaign finance reform hostage to taxpayer-funded spending limits.

Mr. President, you have to look hard outside of the beltway and outside of editorial boardrooms to find knowledgeable people who consider spending limits to be reform. Virtually every scholar who has studied campaign financing believes that spending limits would be the worst deform, not reform, possible. But even if we pretend that spending limits are reform, no objective person who knows anything about this issue would assert that it is the only reform possible.

Mr. President, the bill before us is 137 pages long. It is not all spending limits and taxpayer financing. While much of the rest of it consists of finely honed daggers aimed at the Republican Party, after removal of the spending limits machete, a bipartisan negotiation could produce a meaningful reform package that could pass this Chamber.

As for removing the public subsidies in this bill, there is nearly universal recognition that taxpayer financing is anathema to taxpayers and could not come at a politically worse time.

This is essentially the same amendment that has been offered in past debates, but the atmosphere in which it was considered has markedly changed. People have been hearing about this taxpayer-funded spending limits scheme for years, and the more they hear, the less they like it.

Food stamps for politicians—proponents of this bill hate that phrase. I think they despise it because it rings so true and sums this scheme up in a way that resonates with voters.

However, this amendment is offered in the spirit of trying to end these fruitless rhetorical battles. Somewhere between our partisan trenches there lays a middle ground. There are no taxpayer-funded spending limits there, perhaps no PAC ban either. But there is compromise and other bipartisan reforms that would go a long way to restore competitiveness and integrity to our electoral process.

The amendment by the Senator from Alabama and myself is the way to end the campaign finance cold war. Peace dividend would be real reform today.

I want to pick up on what my friend from Alabama said with regard to public funding of elections. We know how

the American people feel about it. I was looking at another survey today, which I am trying to get from my office, that I want to reference on this issue. The American people get to vote every April 15, as the Senator from Alabama has indicated. They get to decide every April 15 whether they want to designate a dollar of taxes they already owe. It does not even add to their tax bill. They can designate a dollar they already owe to pay for the Presidential election campaign fund, and we have seen the results. The results are in. It started off in the high twenties; 28.6 percent was checked off in 1977 or 1978. It is down to 17.7 percent last year.

This is a dollar of taxes taxpayers already owe. So we know exactly how taxpayers feel about this. They get to vote on it. Even when asked in the following way: "Do you favor or oppose"—this was a survey taken recently—"making public funds available to finance campaigns for Congress in exchange for limits on campaign contributions from individuals and political action committees?" Let me repeat the question from a survey taken very recently: "Do you favor or oppose making public funds available to finance campaigns for Congress in exchange for limits on campaign contributions from individuals and political action committees?" It is sort of a balanced question.

In favor of making funds available, 38 percent. Opposed to making funds available, 53 percent. Not sure, 9 percent. In short, Mr. President, there is no way to craft the question, unless you completely mislead the public, that you do not get the same answer on taxpayer funding of elections.

We do not need to take any more surveys. We know the American people hate, detest and despise taxpayer funding of elections. The results are in. What the Senator from Alabama is doing here is giving the Senators here an opportunity to respond to the public's overwhelming opposition to the notion of taxpayer funding for elections.

It is particularly interesting to note that in the State of the sponsor of the amendment, Alabama, only 10 percent check off; only 10 percent check off. In the State of the occupant of the chair, Minnesota, only 13 percent check off—well below the national average of 17 percent. In Kentucky, like in Alabama, only 10 percent check off. That means 9 out of 10 taxpayers forgo the opportunity to designate a dollar of taxes they already owe to pay for the one major campaign in America that is publicly funded. So we know the answer.

There are those who will stand up on the other side and say, look, if you vote for the Shelby amendment, there will not be any spending limits anymore. Well, this is one Senator who would make no apologies for that. I think spending limits are a terrible idea. I agree with virtually every scholar in America—that they do not work. For those who think that is a good idea and it might be possible to make it work, I say these are the Siamese twins of this issue. You cannot have one without the other. If you want to have spending limits, you are going to have to have taxpayer funding. They go together, the Supreme Court says.

So if you just were to strip out the taxpayer funding and not touch the spending limits part of the bill, obviously there is not a court in the land that would uphold that for a minute.

So it is not enough to stand up and say, "But we have to have spending limits." You cannot have them without the taxpayer funding; no other way. They are the Siamese twins of this issue, according to a unanimous Supreme Court decision.

So what the Shelby amendment does is provide the opportunity to reach true bipartisan campaign reform by taking away the two issues that have stymied us for the 5 years that I have been dealing with this issue in the Senate. I am tired of this issue. I wish we could get bipartisan campaign reform and move on to the real problems of the American people.

What they are really interested in are the budget, taxes, the economy, jobs, and health care. That is what they want us to be dealing with here.

We are moving into the third week here on an issue that most Americans could care less about and which, if it were explained to them, they in every case would have, detest, and despise what apparently a majority here would like to do, which is to stick them with the tab of our campaigns.

I commend my friend from Alabama. I think he offered an extremely important amendment. I certainly hope at some subsequent time it will be approved.

Mr. SHELBY. Mr. President, if the Senator will yield for a comment, the amendment that I have offered on behalf of myself and Senator MCCONNELL and others basically will strip the public financing provisions of the bill, as I said before and the Senator from Kentucky said.

In addition, because the spending limits fall without public financing, the amendment eliminates the spending limits and benefits which were supported by the public financing. Basically, all of title V would be eliminated and all reference to title V. So the whole structure supported by public financing would be removed here.

What remains, though—and this is important—what remains in the bill are the provisions relating to PAC's, the PAC ban, soft money, restrictions on independent expenditures, bundling, the lobbyist ban, the provisions relating to broadcast rates, with the exception of the 50 percent discount offered as a benefit for voluntary spending limits, frank mail rates, and the FEC provisions.

So I think this amendment speaks for itself. I appreciate the Senator from Kentucky yielding to me.

Mr. MCCONNELL. Mr. President, I thank my friend from Alabama for further explaining his amendment.

On this issue of how the voters feel about taxpayer funding, it is kind of interesting that FEC itself was studied back in 1991, and this was a focus group to try to get a handle on how the American people felt.

There was an interesting article on January 4, 1991, in the Washington Post by a reporter named Charles Babcock reporting the results of this focus group. And the article starts out:

> Proponents of spending tax money to reform the much-maligned congressional campaign system will find less to cheer about in a new study of public financing of Presidential elections.
>
> When the FEC sponsored focus groups on the subject the end of last year, they found the participants so angry about politicians in general that the anger overwhelmed any discussion of the Presidential checkoff issue.

Further in the article it quotes the fellow who ran the focus group. It said:

> Mr. Ray Ashmum, who ran the focus groups, found that participants had little knowledge of how the system worked or how the money was spent if they designated $1 of their taxes to go to the fund.

It is the Presidential fund. The Senator from Alabama knows what he is talking about. Further in the article the reporter points out:

> 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.
>
> Ashmum said in an interview yesterday that participants who did not contribute to the Presidential fund were the most emotional in denouncing politicians. He added that he is among the 80 percent of taxpayers who do not use the checkoff.

This is the guy who conducted the focus group. He said at the end:

> And now I feel more strongly about it because I'm more informed.

This was the guy who conducted the focus group for the FEC, to find out what the problem was here, why all these folks are not checking off a dollar of taxes they already owe, and the guy who conducted the focus group after listening and learning more himself about the issue at the end concluded he was more opposed to it than he had been at the beginning.

So make no mistake about it. The American people hate, detest, and despise taxpayer funding of elections. The thought that we would extend that to 535 additional races is literally abhorrent to the vast majority of Americans.

So I hope that the amendment that the Senator from Alabama is offering will be approved. I think it will give us the chance to get a bill for the first time that I have worked on this now 4 or 5 years.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Thank you, Mr. President.

Mr. President, parliamentary inquiry: Are we operating on any time constraint on this amendment?

The PRESIDING OFFICER. There are no time limits on debate.

Mr. BUMPERS. Mr. President, I have labored like the Senator from Kentucky in the vineyards of campaign finance reform for many years. I found that in the U.S. Senate, indeed the U.S. Congress, nothing complicated or controversial happens in any less time than several years.

It took me 8 years to get a bill passed to require the Federal Government to lease lands for oil and gas on a competitive basis. They used to do it by lottery. It took 8 years to get that bill passed, and now everybody is tickled to death with it, Everybody says, "Why didn't we do it earlier?"

Mr. President, do you know one of the reasons we did not do it earlier? There was too much money on the other side. Oil companies did not want it. Exxon was not out there participating in the lottery. They went out there grubbing trying to get Federal lands to drill on for a dollar an acre like some of the smaller operators were. All across America newspaper ads said: You can be as rich as Exxon; send us $100 and we put your name in the lottery.

And once they won in the lottery do you know what they did? They sold their leases to Exxon. They were not drillers. These were people in retirement homes, being taken for $100 to get their name put in the lottery. It was an outrage.

But it took 8 years to pass a bill abolishing those lotteries. Do you know why? Let me repeat it again. There was to much campaign money from those who like the system just the way it was, even though it was technically a violation of the criminal code of the United States.

Then I took on the mining interests. You talk about a bird nest on the ground. The miners of this country liked it, not because they were filing claims, but because a lot of other people who wanted to take a little flier could file a claim on 20 acres of land for nothing, as many claims as they liked, up to 500 acres, 1,000 acres. All you had to do each year was say, "I did 100 dollars' worth of research work on my 20 acres this year," and you got your claim renewed for another year.

For years I have fought to change the law that allowed the U.S. Government to actually sell those claims, and not just take someone's word for it that they had put $100 in work into it. I was for abolishing that. I did not want people out here with a pick and shovel digging and doing environmental damage just so they could send a certificate to the Bureau of Land Management and say, "I did 100 dollars' worth of work on that land this year."

The first thing we finally got done was to change the law to say that if you want to keep this lease for another year, you have to pay $100 to do it. We finally got that done.

Now we have a bill that is going to wind up in conference with the House of Representatives to reform a law that is over 120 years old. The Mining Law of 1872 actually allows people to pay the U.S. Government $2.50 an acre for lands that have billions of dollars' worth of gold and platinum and palladium underneath them.

Do you know why, Mr. President, it has taken 5 years to get that thing to the bargaining table with the House? Money. Money, mining interest money, from the big mining companies.

The Stillwater Mining Co. in Montana has filed an application for a deed to 2,000 acres of land for which they will pay the princely sum of $10,000. Underneath it is 35 billion dollars' worth of palladium and platinum. Stillwater says they are going to lose money mining it. Maybe they will. That is not the question with me. The question is what in the name of all that is good and holy is the United States doing selling people 2,000 acres of land with that kind or riches underneath it for any price determined by other than a competitive basis?

Do you know why it has taken 5 years to even get an embryonic beginning of reform on that law? Money, campaign money, Mr. President.

I do not know how much money the mining industry has put up over the years to defeat my legislation. I give them credit. It has been enough. It has been enough to defeat and thwart every effort I have made.

This morning, Mr. President, in the Energy Committee, I lost a vote over there—10 to 8 in the Energy Committee—to say that the U.S. Government ought to get a fair market return for allowing people to put television and radio transmitters on top of mountains that belong to the Forest Service and the Bureau of Land Management. I was defeated 10 to 8.

Really, all I was asking for is to allow the Forest Service and the Bureau of Land Management to come out with their own plan. It certainly will not hurt anything to wait a few more days, will it? Do you think that the television and broadcasting industry does not have more clout than I have? You bet they have.

Mr. President, I could go on. And every Senator knows I speak the truth when I say bill after bill after bill has been defeated in this body because of campaign money.

No nation on Earth, to my knowledge, runs a political systems the way we do.

Why, James Madison, who went to Philadelphia 204 years ago with a sheaf of papers in his hip pocket, knew exactly how he wanted to craft that Constitution.

He is really the Father of the Constitution; some of it was probably stolen from George Mason and Thomas Jefferson.

But I tell these high school and college graduates, as I have at commencement ceremonies for the past 3 weeks, if you do not think knowledge is power, you go back and look at what James Madison did in 1787 in Philadelphia. He crafted a document that has made the United States the longest living democracy on Earth. Because he was a very bright man, he knew that some charlatan would come down the road and tell you that you have to pray as he tells you to pray, you have to go to the church where he tells you to go to church, you cannot say this because we disagree with it. He put freedom of speech and freedom of religion into our Constitution.

Mr. President, I am digressing for just a moment. But you look at all the hot spots in the world where there is a war going on, most of them are about religion.

I was in Yugoslavia a couple weeks ago. Do you know what that war is about? The Croats say the Bosnian Moslems are not true Moslems because theirs was a Christian tradition. But because the Ottoman Empire controlled Bosnia, they were told, even though you are a blond-haired and blue-eyed European, you will be a Moslem. And they are. And the Serbs are Orthodox Christians.

Now, Mr. President, there, in that country, is a caldron that demands war.

Then you have all those ethnic differences. Look at the Middle East: 5,000 years of religious war. Look at Ireland, a religious war.

Not all the future wars are going to be over expansionism. They are not only going to be over: We are going to try to take your oil because we do not have any. They are often going to be religious and ethnic.

Do you know what makes nuclear weapons so frightening? When people have religious and ethnic differences, they do not want nuclear weapons for prestige. They want them to use; to make you believe the way they believe, dance to their tunes, march to their drummer.

I will tell you right here on the floor of the United States Senate, if North Korea does not come to her senses, at some point I will opt for a military solution to North Korea possessing nuclear weapons. And after they tested a

600-mile missile last week, I will tell you they are as dangerous as a one-eyed water moccasin.

So, Mr. President, as I was about to say a moment ago, we have these magnificent freedoms. People can stand on the street corner and say whatever they want to say. Sometimes I wonder if James Madison was quite as perceptive and visionary as I have always thought.

But you have to admit that people engage in conduct that is highly unacceptable to civilized people, but it is not illegal. People who engage in that kind of conduct, like David Koresh, the Waco terror, have their rights. He had a right to surround himself with a bunch of people and tell them black was white and white was black. And if they wanted to follow it, under the Constitution, they were free to do that.

We have all of these freedoms in this country that have given us this long-living democracy, which, in my opinion, I say to the Senator, is threatened as never before. James Madison would be whirling in his grave if he knew how we financed campaigns in this country.

As a matter of fact, sophisticated, enlightened people from other countries come here and are absolutely traumatized to find that a U.S. Senator has to, on average, raise $2,000 every day of his 6-year term in order to run a campaign for reelection.

And so here we have just a very embryonic beginning at public financing of campaigns, a method used by virtually every developed nation on Earth.

Opponents of public financing say, "Well, people don't want it. They don't like it. They don't want it. They don't want their money going for campaigns." I dispute that.

Do you know what your job is, I say to the Senator? It is not just to sit here and draw over $130,000 a year. It is to go home and talk to your people and talk sense to them. Sure, they may disagree with you.

Do you think when I voted against Ronald Reagan's constitutional amendment on prayer in school—the only southern Senator to do so—do you think I enjoyed going home the following weekend?

Do you think, when I voted for the Panama Canal Treaty, I enjoyed going home the next weekend? Why, that vote cost me 5 percent of the election in 1992. People are still mad about it. But it was the right thing to do, in this humble Senator's opinion.

So you say, well, this is such an alien concept, this idea of public financing.

I can tell you one thing that is a lot more alien to the survival of democracy, and that is to allow people who have, to continue to get, because they can contribute money.

I take their money. I do not have any choice but to play the game the way it is set out. I abhor it.

69-059 O—97 Vol. 139 (Pt. 9) 22

Betty Bumpers told me something that is really interesting. This sounds sexist today; back then, it was not. She said, "Do you know the most difficult thing I ever did in my life?

I said, "What?"

"After we got married, the first time I had to ask you for money."

She came from a much wealthier family than I did. I did not have any money. There was not any point in asking me.

But I can tell you, when I got into politics and my campaign manager said—they used to call me Champ. He said, "Champ, you did not ask them for any money."

I said, "DeLoss, I just can't make myself do it."

He said, "You ain't going to be elected to anything until you get over that."

It was tough, and I still detest it.

As a campaign goes on, I say to the Senator, I get pretty good at it. I get on that phone and, you know, I tell them what a good dog I am and how badly I need their help.

I think I raised the third lowest amount of money last year of anybody up for reelection in the U.S. Senate.

So while I have gotten kind of used to it, I have not gotten good at it.

The people of this country are upset as they have never been upset before. They are upset about how we raise money for campaigns. They do not like it. Common Cause tells them it is terrible, and the people who pay attention think it is terrible. Some people refuse to take PAC money, and that is a noble thing to do.

I know the President, when he was Candidate Clinton instead of President Clinton, refused to take PAC money.

But is it not interesting that everybody who thinks this is blasphemous, to put public money into a campaign, had no objection to financing a Presidential race essentially with public money? And it has worked beautifully. It has worked just fine.

The tragedy of it is that people are so cynical about Government now they have quit checking the little box, where it says: I want a dollar of my money to go to the Presidential race.

I guess the bottom line is that while people are so cynical, their nerves are on end about the condition of the country, they do not realize that underneath it, right here, the way we finance campaigns means that our house is built on sand.

People are so irritated and upset with Congress. There is no denying the President has taken a hit in the last month. His numbers are down. In Congress, our numbers stay down; they never go up. In their heart of hearts, the people are depending upon the U.S. Congress to do something about their cynicism. They may not relate it to campaign financing. But I can tell you, it is the root of the problem. If you do not pass this bill so we can at least put limits on how much candidates spend—the amendment of the Senator from Alabama not only removes all public financing, but he also removes limits on how much you can spend—it will be a mistake.

I want somebody on that side of the aisle to tell me—they are always quoting polls to me about how people do not want public financing. I want them to quote me polls on what people say about, Should there be limits on how much people are allowed to spend?

Question: Do you think a U.S. Senator ought to have to raise $2,000 a day for 6 years in order to run for reelection? And the people would say: Are you mad? Is that a fact? Do they have to do that?

Yes, they have to do that.

And if they were to follow it up, saying: Who is giving it? Who is giving the Senator $2,000 a day? It is embarrassing to have to answer that one, is it not? We all know who gives it: Them that has. Them that has continues to get.

So here we are, dead last in education in the world among developed nations; the highest crime rate of any nation on Earth, including Colombia—the highest crime rate in the world; 200 million guns floating around in people's closets and in their pockets, as they walk the streets or drive their cars—200 million guns. And people say: It is a terrible thing, is it not, how violent we have become?

We consume 11 times more energy than the international average; four times more per man-hour of productivity than any nation on Earth. We generate four times more garbage per person to go in our landfills than any nation on Earth. We have a bigger percentage of our people in jail than any nation on Earth, and that includes China, South Africa, and Russia. We consume 50 percent of all the illegal drugs in the world; 22 percent of our children live below the poverty line; and teenage pregnancy has become rampant.

You bet people's nerves are on end. And yet, despite all of those things, they think Congress is sitting around, doing nothing, saying: This is terrible, isn't it? Ross Perot says, "Follow me. I have the solution."

What is the solution, Mr. Perot?

"I did not know you were going to ask me that. I forgot to bring my charts."

No wonder he is still somebody people watch on television as a serious person. All he has to do is say, "Isn't it terrible?" and I promise you, a big majority of the people in this country say, "Yes; it is indeed terrible."

People hear you cite all those figures I gave a moment ago, plus the fact that, of the 17 developed nations, we are the only one that does not provide medical care for every man, woman, and child. I have a very rich friend. He

is about the only Democrat I know that is rich. He was in Australia fishing. His appendix ruptured. They took him to Sydney. He was there for 3 weeks and got tremendous care. When he was discharged, he got ready to write his check out and said, "What is the bill?"

"Nothing."

"Nothing?"

"Nothing; that's right. We have universal health care here. We make sure our people are protected."

These personal notes just tear your heart out. But you cannot get people's attention unless you get personal.

I have a good friend. He is one of the finest young men I have ever known. He worked for a company for 15 years and was an outstanding employee. But all of a sudden they get bought out, and you know what happens? About half the people lose their jobs, and he lost his. He has a child with spina bifida. If you have never seen a child who suffers from spina bifida, and you do not know what parents go through who have one—I recommend it to you.

So what happens to him so far as health insurance for that child is concerned? He just summarily loses his job and gets COBRA—which lasts for 18 months. Once that is gone, he still has a sick child and no health insurance. We call ourselves a civilized Nation. We say to people, "You fend for yourself—you 35 million people who do not have any health-care coverage, hasta la vista, baby. Do the best you can."

So when Eric Hoffer, an eighth-grade-educated stevedore, in a book called "The Day After the Sabbath," said it was his conclusion that strong governments and free societies do not mix, I thought that was pretty interesting. In wartime people say to the President, "You do it. We have to win the war. Do whatever it takes."—Roosevelt interned the Japanese unconstitutionally; nobody lifted a voice. Perhaps they should have, but we were intent on winning the war—as I began to look at it and study history, I found that one time in the history of this Nation, one time that I can recall, in peacetime—

During 200-year history have we ever allowed a truly strong Federal Government, and that was when Franklin Roosevelt was elected in 1932. He took office in 1933. Banks were closing all over America, bankrupt; between 25 and 30 percent of the people of the Nation were out of work. There were food riots in England, AR, because people were hungry and could not even find anything to feed their children. There were food riots all over America. There was no such thing as WPA; no such thing as anything.

So a heavily Democratic Congress was elected and Roosevelt was elected in a landslide, because people were saying, "Do anything." And Congress said, "Mr. President, you tell us what you want done; we will rubberstamp it." And, to my knowledge, the pre-war Roosevelt Administration is the only time this country has ever permitted a strong Congress and a strong President during peacetime.

And today, one reason Bill Clinton's problems are compounded is because 6.9 percent of our people are unemployed—an acceptable level—but people come up to me and say: I detest the idea of lifting the ban on gays in the military; I detest the idea those Haitians with AIDS are coming into the country. Nobody says anything to me about the deficit much, except some of the more sophisticated business people.

Do you know what charlatans, ideologues depend on? Ignorance, an uneducated electorate. When Trotsky and Lenin were coming to power in the Soviet Union, they sold the people on the idea that anything is better than what you have. In all truthfulness, if I had been in Russia at the time, I might have bought into that, too, I was hungry enough.

Hitler said, if you hate Jews, they are the problem. If you hate Communists, they are the problem. If you hate Lutherans, like Martin Luther, he is the problem. If you hate trade unions, they are the problem. Charlatans, ideologues, zealots and would-be dictators depend on one thing, and that is for you to be ignorant enough that they can make you believe almost anything and make you hate almost everybody.

In this country, the thing that is troubling is where we are in education. I gave you a catalog of all the problems of the Nation, and you have to conclude people do not really care; if they cared, why would they not bother to go vote? In 1992, perhaps the lowest percentage of our voters ever in the history of the country bothered to vote.

(Mr. DORGAN assumed the chair.)

Mr. BUMPERS. Mr. President, we had a Lieutenant Governor's race in my State. When Bill Clinton became President, our Lieutenant Governor, Guy Tucker, became Governor. That left us without a Lieutenant Governor. Now we have a Lieutenant Governor's race going, and the first Democratic primary last week drew the whopping turnout of 7 percent, despite the fact that four of the Nation's Governors, I think including the Presiding Officer's Governor, took office because of the death or something else of the Governor. Four of the fifty Governors of this country were Lieutenant Governors who had to move in.

We had a Lieutenant Governor's race and we had 7 percent of the people turn out to vote. What is it? It is a combination of cynicism and disrespect for the system. What is that based on? It is based on the belief of the people that they do not really count. The essence of democracy, Mr. President, is that each person counts, and a good big number of people in this country, God forbid it ever becomes a majority, do not think they count. Do you know why they do not think they count? Because they cannot give you a thousand dollars, they cannot give you $500, they cannot give you a bean sandwich.

I ran for reelection last year. I never failed to tell every audience I talked to that I was adamantly opposed to term limits. I will be 6 feet under by the time they would apply to me, I do not have a dog in that fight. I know how this place operates. I know how the legislature operated when I was Governor. You put term limits into effect and you think this place is a shambles now, you ain't seen nothing. You talk about the lobbyists taking over, they will have to fight the staffs of the Senators to see who is going to take over.

But you cannot blame the people for being cynical and you cannot blame them for being distrustful when they know they cannot give you a thousand dollars and they know they cannot participate in a PAC that can give you $5,000.

So if you want to heighten that suspicion, if you want to raise that cynicism, instead of going home and talking to people even though they disagree with you—and they do, they disagree with me. When I told them I disapproved of term limits, I told them I was not for public financing of campaigns and that you will never get this system straightened out as long as you force us to go out with our tin cup and beg people for money and then virtually promise to do favors for them. Oh, they are not overt promises, but who gets into your office to see you?

No wonder people are upset and cynical. Here is a chance to make one small step and restoring just some confidence in the system in a way they admittedly may not like at first. Change is always painful; it is always difficult. At my age, I find it more difficult all the time. I am always so sure I am right and my wife is wrong.

Today in the caucus, the majority leader, Senator MITCHELL, quoted Cromwell about who was right. I do not remember whether it was Sir Thomas Moore or DALE BUMPERS said one time in prayer, "God help me find the truth and deliver me from those who have already found it."

Mr. President, I may not be absolutely right and I know that my position on this is not popular with some in my home State, but if you want to restore people's confidence in this system, you can take this first step.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas yields the floor.

Who seeks recognition?

Mr. BUMPERS. 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. GRAMM. 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. GRAMM. Mr. President, I noticed that we were in a quorum call.

I ask unanimous consent that I might speak as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, the Senator from Texas is recognized for 10 minutes.

THE PRESIDENT'S PRESS CONFERENCE

Mr. GRAMM. Today at the White House, the President made a statement in opening a press conference that I would like to respond to briefly. I respond not to be argumentative, but because if we are ever going to have a real debate about economic policy, it is important that we all use the same language, and I propose that we use English. Let me read the quote from the President, and I would like to go through and point out why we have such a problem in discussing the budget.

The President says in the transcript of his statement today in opening the news conference:

> In the plan that the House passed that the Senate Finance Committee is now dealing with, for every $10 that the deficit is reduced, $5 comes from spending cuts; $3.75 comes from upper-income people; $1.25 comes from the middle class; and families with incomes under $30,000 a year are held harmless.

Mr. President, let me remind my colleagues that when the President gave the State of the Union Address, he said, in essence: Let us not argue over whose numbers to use. Let us use the Congressional Budget Office, as an impartial arbiter of these budget numbers, for all of the scoring so we can all use the same language.

I remind my colleagues who may have forgotten that there were some on my side of the aisle who scoffed at the possibility that the Congressional Budget Office was going to be an impartial arbiter. But, nevertheless, the President made the point very clearly: Use the Congressional Budget Office as the judge and jury of his budget and all other budgets that we would consider.

How is it possible that the President continues to say that for every $10 in deficit reduction in the budget plan that he submitted—the plan that was adopted by the House—that there is $5 in spending cuts and $5 in taxes. Let me quote you from the Congressional Budget Office—and I remind you that this is the institution that the President picked as the judge and jury of his budget.

The Congressional Budget Office says on page 6 of their report entitled "An Analysis of the President's February Budgetary Proposals, March 1993":

> Three-quarters of the $355 billion in cumulative deficit reduction contained in the administration's program would stem from increases in revenues, and only one-quarter from cuts in outlays.

Mr. President, this is not PHIL GRAMM talking. This is not Senator BOB DOLE talking. The Congressional Budget Office says that the President's plan has $3 in taxes for every dollar of spending cuts. In fact, I know of no outside nonpartisan group in America that argues that the President's budget cuts $1 of spending for every $1 of taxes.

The Congressional Budget Office, which the President chose as the judge and jury, finds that the President's budget, as adopted by Congress, has in their numbers about $3 in taxes for every $1 in spending cuts. Yet, the President continues to talk about 50 cents in spending cuts for every dollar of taxes.

Let me explain to my colleagues very briefly why this continues to add to the confusion. When Bill Clinton ran for President, he said that he was going to cut spending $3 for every $1 of new taxes. That was the campaign rhetoric.

Then, when Congressman Panetta was before the Senate for confirmation and was asked about his goal in deficit reduction, he said, "$2 in spending cuts for every dollar of taxes."

The President, in the State of the Union Address, said, "$1 of spending cuts for every dollar of taxes." The President, today, continues to say $1 spending cuts for every $1 of taxes. But when the President's budget came to the Congress and was adopted, it turned out to be $3.23 of taxes for every $1 of spending cuts. And now we are dealing with the changes in permanent law that flow from that budget.

In fact, when the President talks about the plan that the House passed, and which the Senate Finance Committee is now considering, he is no longer talking about the budget plan; he is talking about the changes in permanent law that flow from the budget plan. And according to figures from the Congressional Budget Office, something has happened which is totally predictable. A budget that started out at $3 in cuts for every $1 in taxes, then became $2 in cuts for every $1 of taxes, and then became $1 in cuts for every $1 of taxes, and then became $3.23 in taxes for every $1 in spending cuts, guess what? Now that the House has adopted the change in permanent law, it is $6 in taxes—I have the Senate figure here of $5 in taxes—for every $1 of spending cuts.

But what the House actually adopted was the following measure, and I would like to ask the administration if I am wrong on these figures, which I am going to put in the CONGRESSIONAL RECORD. I would like them to explain to me, so that we can have a debate in English, what we are talking about.

According to the numbers that I have, as compared to the current law of the land, the bill that was adopted by the House cuts spending $77.4 billion. It also increased spending $31.6 billion, giving us a net spending cut of $45.8 billion.

The President's bill has taxes of $330.9 billion in tax increase; $55.4 billion in tax cuts; so that the net tax increase is $275.5 billion. User fees, which are new fees that will be paid by people who will view them as taxes, are $15.5 billion. So when you total it up over 5 years, the bill passed in the House, as we measure it, cuts spending by $45.8 billion and raises taxes and fees by $291 billion.

That is a ratio of $6.35 in taxes for every dollar of spending cuts. And it is even worse, because the House bill has all these taxes retroactive to January 1.

So if you look at the bill passed in the House year by year, we find that in 1994, there are $20.68 of taxes and fees for every dollar of spending cuts. In 1995, there are $9.77 of taxes and fees for every dollar of spending cuts. In 1996, there are $6.47 of taxes and fees to every dollar of spending cuts. In 1977, $5.52 of taxes and fees to every dollar of spending cuts. In 1998, $4.58 of taxes and fees for every dollar of spending cuts.

Over the 5-year period that the President's economic program would be in effect, as passed by the House and now pending in the Senate Finance Committee, taxes would rise $6.35 for every dollar of spending cuts.

How can it be that the President continues to talk about 50 cents in spending cuts for every 50 cents in taxes? I do not see any way in the world that the President can justify these numbers.

I think one of the reasons we are having such a difficult time debating these issues is that, not only has the President changed his program from what he promised in the campaign, which was $3 in spending cuts for every dollar of taxes, but he continues to talk about $1 of spending cuts for every dollar of taxes when, in fact, the bill that has now been adopted by the House that makes the changes in permanent law, has $6.35 in taxes for every dollar of spending cuts. If the House bill passed and became the law of the land, and nothing else were done, we would get $6.35 of permanent taxes for every $1 in spending cuts and, Mr. President, I have very real doubts that even the $1 of spending cuts will ever happen since I offered an amendment to make the budget binding so it could be enforced, and it was rejected on virtually a party-line vote. I have to believe that the people on the Democratic side of the aisle do not intend to enforce their spending cuts. But even if everything the President has asked for is done, even if in 1997 and 1998, we made all of

these spending cuts, we still are talking about a budget that has $3 of new taxes for every dollar of spending cuts.

So I think the reason that we are having a very difficult time reaching a bipartisan consensus is we continue to talk past each other. And I thought it was important, given this new statement today, to come over to put these figures in the CONGRESSIONAL RECORD. I would like to ask the White House to explain to me how I am wrong and they are right when they continue to say that, out of every $10 of deficit reduction in the bill that the House just passed, the so-called reconciliation bill, there is $5 in spending cuts for every $5 in taxes?

Mr. President, I do not believe that is the case. I do not believe anybody can justify those numbers. And the fact that the President continues to use those numbers makes it very difficult for us to have a real debate over the budget.

Let me submit the humble wish that the President would do exactly what he asked the Congress to do; and that is, let us let the Congressional Budget Office look at these numbers and tell us and the American people what the truth is. I am ready to do that. I do not believe the administration is ready to do it, because the Congressional Budget Office has already looked at their budget. Set up as the judge and jury by the President, they have found the administration guilty of not leveling with the American people about their own budget.

I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

AMENDMENT NO. 445

The PRESIDING OFFICER. Who seeks recognition?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oklahoma [Mr. NICKLES].

Mr. NICKLES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NICKLES. Are we still on the Shelby-McConnell-Nickles amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. NICKLES. Mr. President, I rise as a cosponsor of this amendment. I wish to compliment my colleague, Senator SHELBY, and also Senator MCCONNELL, for what I believe is probably the most important amendment that will be offered to this bill.

This amendment will eliminate the public subsidies for Senate campaigns.

I am shocked when I hear people discussing this bill imply that, if you are opposed to it you are against campaign reform. That is not the truth.

The facts are that this bill has the label of campaign reform, but what it really should be labeled is "the politicians' subsidy bill" or "food stamps for politicians" or "entitlements for politicians." If you look at page 17 of the leadership substitute, you will find listed several entitlements in this bill for eligible candidates.

Eligible candidates are entitled to receive the following benefits: excess expenditure amount—many people have said this is voluntary participation. But if a candidate says, "No, I do not want to participate under the Federal election system for Senators and Congressmen because I do not agree with public subsidies I do not think the taxpayers should underwrite my campaign." If I elect not to participate, and I end up spending more than the defined amount as permitted under this bill, because I have been able to raise that excess amount of money, then my opponent gets the amount of excess expenditure for every dollar I get above their spending limit. In my State, the subsidy would be $1.2 million. That is a massive public subsidy.

You have voter communication vouchers. In my State, it is about $600,000. I will give the specific amount. In my State, in 1996, the State of Oklahoma, voter communication vouchers are $531,000, courtesy of the U.S. taxpayer.

I happen to disagree with that. I do not think taxpayers should be paying for that in my race. I do not want them to do it. But yet, that is what is in this bill. If you read page 17, that is what I am entitled to.

They also said I am entitled to the mailing rates provided in section 3626(e) of title 39, United States Code. It does not say it means eligible candidates are entitled to receive thousands of dollars of mail subsidies.

Why in the world Senate candidates should be entitled to mail at one-third the rate of most persons, I do not know. I do not agree with that philosophy. Yet, it is in that package.

For example, in North Dakota—North Dakota does not have a race in 1996, so we will look at the year 1998. In North Dakota, the mail subsidies—it is a small State with a small population—are $15,000. In my State of Oklahoma, it is $77,000. In the State of Ohio, for example, the mail subsidy is $270,000. For the State of New York, the mail subsidy is $456,000. For the State of California, the mail subsidy is $740,000 in the year 1998.

My point is that there are massive subsidies in here for candidates, in mail subsidies and in voter communication vouchers, that will reach hundreds of millions of dollars.

The voter communication vouchers, I might tell my friend, the Presiding Officer, are $574,000 in North Dakota. You might not have been aware of that. But if this bill passes, a candidate participating from North Dakota is going to get a voter communication voucher of $574,000 if they are able to go out and buy TV time. A participating candidate can go out and communicate with the voters courtesy of the U.S. taxpayers.

I wonder how many taxpayers know they are going to be paying for that. I wonder how many taxpayers want to pay for that.

That is not all. There are additional taxpayer subsidies in this measure. How about the section dealing with independent expenditures amount. In North Dakota or in Oklahoma, if someone pays for an independent expenditure of $10,000 during the campaign and $1,000 in the last 20 days, then this bill provides that the U.S. taxpayer is going to have to come in and match it dollar for dollar.

It is hard to estimate how much that is going to cost. I do not know how much it is going to cost. No one in this body knows how much it is going to cost.

In other words, we are telling candidates that they are entitled to receive the identical amount of the independent expenditure amount. If the independent expenditure exceeds a certain level, then Uncle Sam is going to come in and match it.

We do not know how much that is going to cost, but it will be in the millions.

I mentioned that in my State, if you have a nonparticipating candidate, the participating candidate is going to get $1.2 million of excess expenditure amounts. That is a massive subsidy. If I do not participate and have excess expenditures in the amount of $1.2 million, then you are up to about $1.9 million of U.S. taxpayers' subsidies going to an eligible candidate.

Now that is not a little subsidy. That is a massive subsidy.

Think of that: $1.9 million of eligible subsidies if you have one participating candidate and one nonparticipating candidate.

This is not a fair shake for the taxpayers. It is almost highway robbery. We are saying that we want the taxpayers to come in and get involved in our campaigns in a big way. We think the taxpayers should subsidize our races.

I just totally disagree, and I believe the American people disagree.

Instead of having this bill labeled campaign reform, it ought to be labeled for what it is: Entitlements for politicians. Let us call it the way it is. Let us have people read the bill. Read the bill.

Page 17 of the bill, section 503, says: "Benefits eligible candidate entitled to receive." There they are. They are enumerated. It takes several pages to go through all the benefits that eligible

candidates are going to receive; several pages.

If you are an eligible candidate, if you put your name on the line, you are eligible to receive the following entitlement program.

Now we have a lot of entitlement programs that have limitations. We have a lot of agriculture programs in which we tell the beneficiaries they are only entitled to receive a maximum of $50,000 a year. There is no limit on this campaign finance program

I had an amendment last week, which was defeated on largely a party-line vote, that said the maximum subsidy that an eligible candidate can receive would be $1 million. Some people do not want to be limited to $1 million. They want to receive millions of dollars in taxpayer subsidies.

Just look at the State of California. In 1998, the total amount of Government subsidies is almost $3.2 million.

Mr. McCONNELL. Will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. McCONNELL. I asked the staff to sort of—bearing in mind a picture is worth a thousand words, the Senator from Oklahoma frequently referred to this as food stamps for politicians.

This is exactly the way the food stamp looks. And this is, in a sense, what we are going to be getting—vouchers, food stamps, to go out and spend tax money on our political campaigns.

I hope the C-SPAN viewers can get a sense of this, because this is a picture of what this bill is asking us to do for ourselves—food stamps for us.

I just wanted to add that to the eloquent comments of my friend from Oklahoma.

This is the picture of what this underlying bill proposes to give to us.

Mr. NICKLES. I very much appreciate the comments of the Senator from Kentucky [Mr. McCONNELL].

And I will just mention that is just one of the entitlements that is in this package.

Actually, if you look at the leadership substitute, on page 17, it has several entitlements. All you have to do is join and you are entitled to receive them. It says "Benefits to eligible candidate entitled to receive * * *." And we are going to give you discount mail, we are going to give you communications vouchers, we are going to give you money. If somebody runs a mean old independent expenditure, we are going to match it. If somebody spends more than, Heaven forbid, what has been set for the campaign expenditure limit, if somebody spends over that amount—in my State, it is $1.2 million.

I might say, we had a Governor's race that spent $3 million and in my race I spent $3 million.

If you spend over that amount, your opponent is going to receive $1.2 million of cash benefits, courtesy of taxpayers. I find that hard to believe.

I find it real hard to believe that people can say, "Well, this is voluntary participation, but if you do not participate, we are going to give your opponent millions of dollars." Not $100,000, not a little break here and there, not some kind of deal to make the race competitive, we are going to shower them with money.

As a matter of fact, I calculated in my case, when I decide not to participate. I do not make any bones about it. I think this is a disastrous program, and so I do not want to participate.

If it is voluntary, I am guessing I have the right to opt out. And if I do opt out and if I spend $3 million, my opponent is going to get $2.7 million, courtesy of Uncle Sam.

I think that is ridiculous. I think it is an irresponsible raid on the Treasury. We should not allow it to happen.

So, from now on, I wish people would actually use the correct name for this piece of legislation. This is not campaign reform. This legislation is entitlements for politicians. You are entitled to receive several new benefits by participating. And I think that is an outrage.

Mr. SHELBY. Will the Senator from Oklahoma yield for a comment?

Mr. NICKLES. I am happy to yield.

Mr. SHELBY. I do not know if the Senator from Oklahoma was on the floor earlier when I introduced into the debate a letter from the National Taxpayers Union supporting the amendment that I have offered here on the floor that we are debating, and saying, among other things—and it is all in the RECORD now—that serious constitutional questions have arisen here and this is certainly not the priority for the American taxpayers to fund another Federal entitlement, as the Senator from Oklahoma points out.

If the Senator would further yield, I wonder if the Senator from Oklahoma has seen the latest Hart-Teeter poll. When the American people were asked this: "Do you favor or oppose making public funds available to finance campaigns for Congress in exchange for limits on campaign contributions from individuals and political action committees?" Favor making funds available, 38 percent; opposed, 53 percent.

In other words, this is a recent poll.

I believe the American people, if the Senator would further yield just for a moment, have spoken on this and they have spoken, as the Senator from Kentucky pointed out, on the checkoff. It keeps going down and down in the Presidential election, the State by State support of taxpayers' money for the Presidential race.

So when people are arguing it works in the Presidential race, does it? Does it? Does it really have the support of the American people?

I appreciate the Senator from Oklahoma yielding.

Mr. NICKLES. I was happy to yield.

I was not aware of the National Taxpayers Union letter, but I would assume that would be their position. I appreciate the Senator from Alabama bringing that to my attention.

I also want to thank him for his leadership. I said that earlier, and I do not believe he was on the floor.

But he happens to be exactly right on this issue. I do appreciate the fact that somebody is willing to stand up on the floor for the principles they believe in.

This happens to be the basic principle: Do you think taxpayers should subsidize Senate races and, frankly, congressional races, too?

We are not just talking about the Senate. This may be a Senate bill we are working on, but we are talking about opening up the floodgates for millions of dollars of taxpayers' subsidies for the House.

So this bill, which was costed-out by CBO—and they only looked at the Senate provisions. They did not look at the House provisions or what will be added to the House.

Mr. McCONNELL. Will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. McCONNELL. The Senator is very skillful at going down and ticking off the various public entitlements triggered for an opponent should a candidate be so audacious as to want to refuse taxpayer funding and speak as much as he wants to.

In addition to that, in addition to giving tax money to the opponent of the Senator from Oklahoma, the Senator from Oklahoma is also going to have to put the following disclaimer in his ads: They are going to make you raise your money privately and then ruin your commercial by having in there: This candidate does not agree to voluntary campaign spending limits. As if you somehow had a scarlet letter on your forehead.

So, as a practical matter, I say to my friend from Oklahoma, is a noncomplying candidate not going to have to spend some of his precious 30 seconds explaining to the voter the disclaimer required by the law? A further penalty, a further penalty for excessive speech?

Mr. NICKLES. The Senator is exactly right. I compliment him for raising that point. I also compliment him for an amendment he was urging, saying if this bill passes we should have the disclaimer saying these communication vouchers or this ad was paid for by taxpayers' expense.

Right now if you are involved in a campaign we put in the disclaimer: Not paid for by taxpayer expense. We want people to know if we write a letter that it is not paid for by taxpayer money. That is appropriate. Actually that is the law.

Under this provision you are going to have taxpayers subsidizing rates so extensively that if this bill passes and, heaven forbid, if it became law, we

should require this advertisement or this mail piece "* * * was paid for and subsidized by you, the taxpayers. Thank you very much."

Some of us are just adamantly opposed, I will say almost all Republicans—I hope all—and I know Senator SHELBY and I think several Democrats are opposed to this massive Federal entitlement program we are creating for politicians.

If you add the cost over a 6-year cycle for Senate campaigns, we are talking about hundreds of millions of dollars just for Senators.

If you add the House Members in addition to that for that 6-year period of time, the total cost will exceed $1 billion. That is an astronomical sum. It is hard to imagine but it is there. We have done the homework.

To repeat, how much is the leadership substitute to S. 3 going to cost? Plenty, Mr. President, plenty.

Recently, the Congressional Budget Office estimated that the leadership substitute would cost $52 million for the 1996 Senate elections and $61 million for the 1998 Senate elections. These estimates vastly understate the true costs of subsidizing congressional elections.

To begin with, Mr. President, the CBO estimate omits the cost of subsidies to House candidates because those subsidies are not in the Senate's leadership substitute. Once the Democrats in the House get around to writing up subsidies for House candidates, we can expect the costs of S. 3 to go up by hundreds of millions of dollars.

Second, CBO did not estimate what is likely to be the largest subsidy in the bill, the half-price broadcast rates that television stations are going to have to give to participating candidates. This subsidy alone will amount to hundreds of millions of dollars over a 6-year election cycle, but CBO did not estimate the costs of this subsidy because it is not provided by the taxpayers of the United States and CBO only estimates costs to the Government.

Third, CBO did not estimate costs for minor-party candidates. These subsidies may be costly, however. For the 1991-92 election period, nearly 2,600 persons declared their candidacy for the House of Representatives and nearly 400 persons declared their candidacy for the Senate. If S. 3 passes, some number of these individuals are going to qualify for taxpayer financed subsidies.

Finally, CBO did not estimate costs for the independent expenditure amount, which is a subsidy that is given to eligible candidates so that they can respond to adverse independent expenditures.

When these additional subsidies are calculated using reasonable and conservative assumptions, the cost of the leadership subsidy jumps from $52 million in 1996 to $139 million and from $61 million in 1998 to $175 million. keep in mind that these figures are for Senate elections only. Keep in mind also that the subsidies could be much higher than even these larger numbers show.

Mr. President, the larger numbers I have referred to are contained in a study of the leadership subsidy that was done by the Republican Policy Committee [RPC]:

In 1996, where CBO estimated $52 million in Government subsidies, RPC estimated $139 million in Government subsidies and private sector subsidies.

In 1998, where CBO estimated $61 million in Government subsidies, RPC estimated $175 million in Government subsidies and private sector subsidies.

And in the year 2000, where CBO did not make an estimate, RPC estimated that the leadership substitute will provide Senate candidates with subsidies of $226 million—more than one-quarter of a billion dollars.

I ask unanimous consent that the Republican Policy Committee's cost estimate on the leadership substitute—"The Costs of Campaign Finance 'Reform': Costing Out the Public and Private Subsidies for Senate Campaigns," dated May 26, 1993—be printed in the RECORD at the end of my remarks.

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

(See exhibit 1.)

Mr. NICKLES. Mr. President, I need to emphasize—as the RPC study does itself—that the costs that were estimated in the Policy Committee's study could easily grow very much larger. For example, for simplicity and conservatism the RPC study assumes that all Senate candidates will participate in the system of public financing. This is, of course, an unlikely possibility as the study admits. Ironically, however, as participation rates decline the costs of the bill are likely to increase, not decrease.

Let me explain this possibility by reference to four Senate elections that will take place in 1998, the year that my current term will end.

The first election will be in my State of Oklahoma. Although Oklahoma is a midsized State, the leadership substitute to S. 3 groups Oklahoma with States that are much smaller. Under S. 3, Oklahoma is grouped with Alaska and Wyoming and Rhode Island and treated nearly the same because each is subject to the same floor on the general election expenditure limit [GEEL]. The second 1998 election will be in Georgia, a State that is about twice the size of Oklahoma. The third election will occur in New York, a State that is more than twice the size of Georgia. And the fourth election will take place in California, our largest State, which is about two-thirds larger than New York. In the RPC estimate, both New York and California are assumed to have minority-party candidates in their 1998 elections.

If all candidates sign up for the benefits of S. 3, the 1998 costs in Oklahoma, Georgia, New York, and California are estimated by RPC to be as shown in table 1, column 1. However, if one major-party candidate does not participate in the public financing scheme then the excess expenditure amount can be triggered. If the noneligible, major-party candidate raises or spends 100 percent above the general election expenditure limit, then the costs to the Treasury and the broadcast industry will be closer to those shown in table 1, column 2. It reads:

TABLE 1.—COSTS UNDER S. 3 FOR 1998 SENATE ELECTIONS IN OKLAHOMA, GEORGIA, NEW YORK, AND CALIFORNIA

[In millions of dollars]

	Col. 1. Costs of subsidies when all candidates are eligible candidates			Col. 2. Costs of subsidies when one major-party candidate is not eligible		
	Government	Private	Total	Government	Private	Total
Oklahoma	1.4	1.8	3.2	2.1	1.8	3.9
Georgia	1.9	2.3	4.1	2.7	2.3	5.0
New York	8.0	8.4	16.4	14.5	11.6	26.0
California	13.0	13.9	26.9	25.6	20.5	46.1

Note.—Some details do not add to the totals because of rounding.

In short, Mr. President, if one major-party candidate does not participate in the spending scheme and he or she raises or spends 100 percent above the general election spending limit:

The cost in Oklahoma will go from $3.2 million to $3.9 million, or an increase of about 22 percent.

The cost in Georgia will go from $4.1 million to $5.0 million, or an increase of about 22 percent.

The cost in New York will go from $16.4 million to $26.0 million, or an increase of about 59 percent.

The cost in California will go from $26.9 million to $46.1 million, or an increase of about 71 percent.

Mr. President, I strongly oppose public funding for congressional elections. S. 3 will cost taxpayers and broadcasters and probably others such as mailers, advertisers, and consumers, hundreds of millions of dollars. The estimate made by the Republican Policy Committee shows some $540 million of subsidies just for the three Senate elections of 1996, 1998, and 2000. I emphasize, however, that the RPC estimate is not by any means a maximum estimate. As I have explained in this statement, the costs can easily escalate when the excess expenditure amount kicks in and major-party and minor-party candidates take that money and spend it on television advertising. Campaign finance reform is essential, but let us not open the Treasury of the United States to congressional candidates. It will be a mistake, and a very costly mistake at that.

EXHIBIT 1

THE COSTS OF CAMPAIGN FINANCE "REFORM"—COSTING OUT THE PUBLIC AND PRIVATE SUBSIDIES FOR SENATE CAMPAIGNS

This Policy Analysis contains the Republican Policy Committee's estimate of the

costs of the "leadership substitute" to S. 3, the campaign finance reform bill. This paper revises preliminary data released yesterday in an RPC Issue Update. Today's estimates should be used in lieu of yesterday's.

The leadership substitute to S. 3 will cost the U.S. Treasury and the private sector about $540 million for just the three Senate elections in 1996, 1998, and 2000, assuming a 100-percent participation rate (an assumption that significantly reduces costs to the government). By the time the House finishes adding subsidies for its own elections, the total cost of S. 3 will escalate by hundreds of millions of dollars.

The RPC estimate is conservative. Costs could be substantially higher if participation rates decline (from the 100 percent assumed in the estimate) because nonparticipating candidates trigger the excess expenditure amount. Other provisions could be substantially more costly, as well. The independent expenditure amount, for example, is unlimited.

By the terms of the leadership substitute, a Senate candidate who raises a relatively small amount of money in relatively small contributions and agrees to limit his or her spending (and comply with other provisions of the act) is eligible for five financial benefits, namely—(1) voter communication vouchers, (2) the excess expenditure amount, (3) the independent expenditure amount, (4) reduced mail rates, and (5) half-price broadcast advertising rates.

These five benefits (especially when coupled with benefits for House candidates) will cost American taxpayers, stamp buyers, broadcasters, advertisers, and consumers hundreds of millions of dollars every election year.

On May 21, 1993, the Congressional Budget Office estimated the costs of the leadership substitute. CBO did not estimate the costs to the government of the independent expenditure amount nor of the participation of minor-party candidates. Nor did CBO estimate the costs of the broadcast industry (CBO counts only costs to the government). Nevertheless, where CBO and RPC estimated the same costs, the estimates are very close.

The leadership substitute does not contain a revenue provision. Section 808 provides that the Act shall not take effect until its estimated costs "have been offset by the enactment of legislation" to pay for it. Since taxes must be raised to pay for it, the Senate will have to await action by the House. Democratic leaders have announced that S. 3 will be paid for by repealing the tax deduction for the business expense of lobbying. The Joint Tax Committee has estimated that that repeal will increase revenues by $873 million over the five years FY 1994 through FY 1998.

ESTIMATED COSTS OF THE LEADERSHIP SUBSTITUTE TO S. 3

[Costs for Senate Candidates Only, outlays by fiscal year, in million of dollars]

Benefits	1996 election		1998 election		2000 election	
	CBO[1]	RPC[2]	CBO[1]	RPC[2]	CBO	RPC[2]
MAJOR-PARTY CANDIDATES						
Excess Expenditure Amt.	5	0	6	0	.....	0
Voter Comm. Vouchers	41	46	46	53	.....	67
Reduced Mail Rates	6	6	9	9	.....	10
Independent Exp. Amt	.....	3	.....	3	.....	4
Gov't Sector Subtotal	52	55	61	65	.....	81
Half-Price TV Time	na	72	na	84	na	107
MINOR-PARTY CANDIDATES						
Excess Expenditure Amt.	.....	0	.....	0	.....	0

ESTIMATED COSTS OF THE LEADERSHIP SUBSTITUTE TO S. 3—Continued

[Costs for Senate Candidates Only, outlays by fiscal year, in million of dollars]

Benefits	1996 election		1998 election		2000 election	
	CBO[1]	RPC[2]	CBO[1]	RPC[2]	CBO	RPC[2]
Voter Comm. Vouchers	.....	4	.....	8	.....	12
Reduced Mail Rates	.....	1	.....	4	.....	5
Independent Exp. Amt	.....	1	.....	2	.....	3
Gov't Sector Subtotal	.....	6	.....	14	.....	20
Half-Price TV Time	na	6	na	12	na	18
Total Gov't Sector	[3]52	61	[3]61	79	.....	101
Total Private Sector	na	78	na	96	na	125
Grand Totals	na	139	na	175	na	226

[1] CBO assumed a 90 percent participation rate.

[2] For this estimate, RPC assumed a 100 percent participation rate. However, RPC agrees with CBO that participation rates are unlikely to be 100 percent and that costs to the government will grow as participation rates decline (thereby triggering the excess expenditure amount).

[3] In addition to the estimates shown here (which are for Senate races only), CBO also estimated increased costs for FEC enforcement and for outlays from the Presidential Election Campaign fund.

Note.—CBO and RPC interpret the indexing requirements differently. CBO read subsection 101–"501(f)" to make 1996 the base year for indexing; RPC reads that section to make the year of enactment the base year (with one exception).

BACKGROUND INFORMATION ON THE RPC ESTIMATE ON S. 3

Qualifying for benefits

To qualify for benefits under S. 3, Senate candidates must limit their spending in the general election to the general election expenditure limit (GEEL) which is $400,000 plus 30 cents times the voting age population (VAP) not in excess of 4 million persons and 25 cents times the VAP in excess of 4 million persons—but no State's GEEL can be less than $1.2 million nor more than $5.5 million. New Jersey has a unique formula which makes its GEEL larger than New York's. The GEELs are indexed. The limits are enlarged to accommodate legal and accounting fees, taxes, and the travel expenses of candidates who already hold a Federal office. Additionally, an eligible candidate must raise a threshold amount in contributions of $250 or less directly from identifiable individuals, 50 percent of whom must live in the candidate's State. The threshold amount equals 10 percent of the GEEL or $250,000, whichever is less.

Indexing

The various benefits in the bill are indexed. One great difference between the CBO estimate and the RPC estimate is the indexing formula. RPC began indexing in 1994 (assuming an enactment date in 1993), but CBO didn't begin indexing until 1997 (interpreting the bill to prohibit indexing until after 1996, and then applying a 2½ percent inflation adjustment for 1997). We believe CBO has misinterpreted the bill's requirements. RPC indexed the bill at the following levels: 1994, 1995, and 1996, three percent per year; 1997, 1998, 1999, 5 percent per year.

Both RPC and CBO enlarged the voting age population (VAP) over the years to reflect changes in the population. RPC increased the VAP by one percent per year. This figure was derived from Bureau of the Census projections for the population of persons 18 years of age and over. [Current Population Reports, "Population Projections of the United States, by Age, Sex, Race, and Hispanic Origin: 1992 to 2050" (no. P25-1992)]

RPC did not take into account any special Senate election. All Senate seats were counted in their regular cycle. Special elections will increase the costs of S. 3, however.

The five benefits

Eligible candidates are entitled to receive the following benefits:

1. Excess Expenditure Amount.—Eligible candidates are entitled to additional cash to keep pace with contributions to, or expenditures of, a nonparticipating opponent. Whenever the nonparticipating candidate raises or spends more than the general election expenditure limit but less than one-third above the limit, the eligible Senate candidate gets a cash payment from the Treasury equal to one-third of the limit. If the nonparticipating opponent raises or spends more than one-third above the limit but less than two-thirds above the limit, the eligible candidate gets another third. And if the nonparticipating candidate raises or spends more than two-thirds above the limit the eligible candidate gets another third. As can be seen, the excess expenditure amount can equal the GEEL. (In the case of minor-party candidates, the excess expenditure amount is halved.) Because the RPC estimate assumes 100-percent participation, there are no excess expenditure amounts in this estimate.

2. Voter Communication Vouchers.—Voter communication vouchers are payments from the Treasury of the United States that may be used by an eligible candidate to purchase commercials, advertisements, and postage. Initially, the value of the voter communication vouchers is 12.5 percent of the sum of the primary election spending limit and the general election spending limit (GEEL) plus 100 percent of the independent expenditure amount. However, once an eligible candidate has received allowable contributions of at least twice the threshold amount he or she is entitled to a double portion of vouchers (25 percent of the sum of the primary election spending limit and the general election spending limit plus 100 percent of the independent expenditure amount). In the RPC estimate, the cost of the voter communication vouchers for each major-party candidate was calculated as 25 percent of the sum of the general election limit and the primary election limit (which is 67 percent of the GEEL). For minor-party candidates, the vouchers are calculated at one-half of the major-party rate. The independent expenditure amount is calculated separately in this estimate.

3. Special Mailing Rates.—Special mailing rates entitle an eligible Senate candidate to reduced third-class mailing rates for that number of pieces of mail that is equal to the number of persons of voting age within the candidate's State. This mail rate is subsidized by the taxpayers if Congress appropriates money to cover the Postal Service's "revenue foregone." If adequate money is not appropriated, the Postal Service must cover its costs by raising the rates on other mailers. The subsidy for each piece of mail is 3.1413 cents. The subsidy for all eligible candidates, whether major party or minor, is the voting age population times the subsidy per piece.

4. Independent Expenditure Amount.—Under the leadership substitute, any independent expenditure that is made against an eligible candidate (or for an eligible candidate's opponent) of (a) more than $1,000 during the 20 days immediately before an election, or (b) more than $10,000 before the final 20 days is to be matched by voter communication vouchers in the same amount. Accordingly, an eligible candidate gets public money to respond to private, independent expenditures that are against his or her interests. In the RPC estimate, the independent expenditure amount was assumed to be 1½ percent of the GEEL for major-party candidates and 5 percent of the GEEL for minor-party candidates.

For these "independent expenditure vouchers," the half-price broadcast rate does not apply.

5. Half-Price Television Time.—Half-price television advertising rates are available to eligible candidates during the 60 days before a general election. The half-price rate is not available, however, when the eligible candidate is spending vouchers that he or she received to respond to independent expenditures.

A study by the Congressional Research Service found that 43 percent of all spending in U.S. Senate races (in 1988) went for broadcast advertising. [CRS Rpt. for Congress, "Summary Data on 1988 Congressional Candidates' Expenditure Survey, Addendum to CRS Report 90-457 GOV" (Nov. 8, 1990)] RPC assumed that when television time is sold for one-half of the going rate that Senate candidates will spend 50 percent more on television air time. Therefore, the RPC estimate assumes that an eligible major-party candidate will spend 65 percent of his or her general election expenditure limit on television advertising at the half-price rates. Since the broadcast industry will be forced to subsidize candidates dollar-for-dollar, the subsidy to be provided by the broadcast industry will also be 65 percent of the GEEL. For minor-party candidates, RPC estimated the broadcast industry subsidy at 30 percent of the GEEL.

Minor-party candidates

CBO did not estimate expenditures for minor-party candidates. However, subsidies to minor-party candidates will prove to be important and costly if S. 3 is enacted. In 1991-92, 2,593 persons filed with the FEC and ran for election to the House of Representatives, and 393 persons filed with the FEC and ran for election to the United States Senate. These candidates represented dozens of parties and hundreds of factions.

In an attempt to attribute some cost for minor-party candidacies, we have assumed minor-party candidates in the larger States, as follows: In 1996, one minor-party candidate in each of Illinois, Massachusetts, Michigan, Minnesota, New Jersey, and Texas. In 1998, three minor-party candidates in California, two in New York, and one each in Florida, Illinois, Ohio, and Pennsylvania. In the year 2000, three minor-party candidates in California, two in New York, and one each in Florida, Massachusetts, Michigan, New Jersey, Ohio, Pennsylvania, and Texas.

Note.—The estimates made in this paper were based on the leadership substitute that was put in the Congressional Record on May 12, beginning on page S-5841, the same bill that CBO costed-out. A slightly modified version was laid down on May 24 (amendment no. 366 in the nature of a substitute) (see page S-6370). It does not appear that the changes contained in the May 24 version will affect the estimates made here.

1996 SENATE ELECTIONS COSTS FOR ONE MAJOR-PARTY CANDIDATE UNDER S. 3

[All candidates eligible]

State	Population of voting age (1992)	Estimated 1996 VAP	Estimated 1996 VAP (thousands)	General election expenditure limit	General election expenditure limit (indexed)	Voter commununication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rates	Total Government subsidies	Total private subsidies	Total of all subsidies
Alabama	3,018,000	3,140,543	3,141	$1,342,163	$1,424,035	$594,535	0	$35,601	$98,654	$728,789	$925,623	$1,654,412
Alaska	391,000	406,876	407	1,200,000	1,273,200	531,561	0	31,830	12,781	576,177	827,580	1,503,752
Arkansas	1,746,000	1,816,895	1,817	1,200,000	1,273,200	531,561	0	31,830	57,074	620,465	827,580	1,448,045
Colorado	2,493,000	2,594,226	2,594	1,200,000	1,273,200	531,561	0	31,830	81,492	644,883	827,580	1,472,463
Delaware	512,000	532,789	533	1,200,000	1,273,200	531,561	0	31,820	16,737	580,128	827,580	1,407,708
Georgia	4,848,000	5,044,848	5,045	1,861,212	1,974,746	824,456	0	49,369	158,474	1,032,299	1,283,585	2,315,884
Idaho	721,000	750,275	750	1,200,000	1,273,200	531,561	0	31,830	23,568	586,959	827,580	1,414,539
Illinois	8,545,000	8,891,961	8,892	2,822,990	2,995,193	1,250,493	0	74,880	279,323	1,604,696	1,946,875	3,551,571
Iowa	2,069,000	2,153,010	7,153	1,200,000	1,273,200	531,561	0	31,830	67,632	631,023	827,580	1,458,603
Kansas	1,822,000	1,895,981	1,896	1,200,000	1,273,200	531,561	0	31,830	59,558	627,949	827,580	1,450,529
Kentucky	2,754,000	2,865,823	2,866	1,259,747	1,336,592	558,027	0	33,415	90,024	681,466	868,785	1,550,250
Louisiana	3,018,000	3,140,543	3,141	1,342,163	1,424,035	594,035	0	35,601	96,654	728,789	925,623	1,654,412
Maine	924,000	961,518	962	1,200,000	1,273,200	531,561	0	31,830	30,204	593,595	827,580	1,421,175
Massachusetts	4,622,000	4,809,672	4,810	1,802,418	1,912,365	798,413	0	47,809	151,086	997,306	1,243,038	2,240,345
Michigan	6,884,000	7,163,518	7,164	2,390,880	2,536,723	1,059,082	0	63,418	225,418	1,347,528	1,648,870	2,996,398
Minnesota	3,243,000	3,374,679	3,375	1,412,560	1,498,560	625,649	0	37,464	106,009	769,122	974,064	1,743,186
Missisippi	1,841,000	1,915,752	1,906	1,200,000	1,273,200	531,561	0	31,830	60,180	623,571	827,580	1,451,151
Montana	585,000	608,753	609	1,200,000	1,273,200	51,561	0	31,830	18,123	582,514	827,580	1,410,094
Nebraska	1,158,000	1,205,019	1,205	1,200,000	1,273,200	531,561	0	31,830	37,853	601,244	827,580	1,428,824
New Hampshire	824,000	857,458	857	1,200,000	1,273,200	531,561	0	31,830	26,935	590,326	827,580	1,417,906
New Jersey	5,919,000	5,159,335	6,159	5,111,535	5,423,338	2,043,335	0	135,583	193,483	2,372,401	3,525,170	5,897,571
New Mexico	1,089,000	1,133,218	1,133	1,200,000	1,273,200	531,561	0	31,820	35,598	598,989	827,500	1,426,569
North Carolina	5,094,000	5,300,837	5,301	1,925,209	2,042,647	852,805	0	51,066	166,515	1,070,386	1,327,721	2,396,107
Oklahoma	2,330,000	2,424,607	2,425	1,200,000	1,273,200	531,561	0	31,830	76,164	639,555	827,580	1,467,135
Oregon	2,174,000	2,262,273	2,262	1,200,000	1,273,200	531,561	0	31,830	71,065	634,456	827,580	1,462,036
Rhode Island	774,000	805,428	805	1,200,000	1,273,200	531,561	0	31,830	25,301	588,692	827,580	1,416,272
South Carolina	2,627,000	2,728,464	2,726	1,218,539	1,292,870	539,773	0	32,322	85,709	657,804	840,366	1,498,170
South Dakota	503,000	523,424	523	1,200,000	1,273,200	531,561	0	31,830	16,442	579,833	827,580	1,407,413
Tennessee	3,723,000	3,874,169	3,874	1,562,251	1,657,548	692,026	0	41,439	121,699	855,164	1,077,406	1,932,570
Texas	12,380,000	12,882,678	12,883	3,820,669	4,053,730	1,692,432	0	101,343	404,684	2,198,459	2,634,925	4,833,384
Virginia	4,748,000	4,940,788	4,941	1,835,197	1,947,144	812,933	0	48,679	155,205	1,016,816	1,265,644	2,282,480
West Virginia	1,364,000	1,419,384	1,419	1,200,000	1,273,200	531,561	0	31,830	44,587	607,978	827,500	1,435,558
Wyoming	323,000	336,115	336	1,200,000	1,273,200	531,561	0	31,830	10,558	573,949	827,580	1,501,529
Total					55,710,326	23,038,152	0	1,392,758	3,107,401	27,538,311	36,211,712	63,750,023

1996 SENATE ELECTIONS COSTS FOR MINOR-PARTY CANDIDATES UNDER S. 3

[All candidates eligible]

State	Population of voting age (1992)	Estimated 1996 VAP	Estimated 1996 VAP (thousands)	General election expenditure limit	General election expenditure limit (indexed)	Voter communication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rates	Total Government subsidies	Total private subsidies	Total of all subsidies
Illinois	8,545,000	8,891,961	8,892	$2,822,990	$2,995,193	$625,246	0	$149,760	$279,323	$1,054,329	$898,558	$1,952,887
Massachusetts	4,622,000	4,809,672	4,810	1,802,418	1,912,365	399,207	0	95,618	151,086	645,911	573,710	1,219,620
Michigan	6,884,000	7,163,518	7,164	2,390,880	2,536,723	529,541	0	126,836	225,028	881,405	761,017	1,642,422
Minnesota	3,243,000	3,374,679	3,375	1,412,404	1,498,560	312,824	0	74,928	106,009	493,761	449,568	943,329
New Jersey	5,919,000	6,159,335	6,159	5,111,535	5,423,338	1,132,122	0	271,167	193,483	1,596,772	1,627,001	3,223,773
Texas	12,380,000	12,882,678	12,883	3,820,669	4,053,730	846,216	0	202,687	404,684	1,453,586	1,216,119	2,669,705
Total					18,419,910	3,845,156	0	920,996	1,359,613	6,125,764	5,525,973	11,651,737

1998 Senate Elections Costs For One Major-Party Candidate Under S. 3

[All candidates eligible]

State	Population of voting age (1992)	Estimated 1998 VAP	Estimated 1998 VAP (thousands)	General election expenditure limit	General election expenditure limit (indexed)	Voter communication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rates	Total Government subsidies	Total private subsidies	Total of all subsidies
Alabama	3,018,000	3,203,668	3,204	$1,361,100	$1,561,182	$651,794	0	$39,030	$100,637	$791,460	$1,014,768	$1,806,228
Alaska	391,000	415,054	415	1,200,000	1,376,400	574,647	0	34,410	13,038	622,095	894,660	1,516,755
Arizona	2,740,000	2,908,565	2,909	1,272,570	1,459,637	609,399	0	36,491	91,367	737,256	948,764	1,686,020
Arkansas	1,746,000	1,853,414	1,853	1,200,000	1,376,400	574,647	0	34,410	58,221	667,278	894,660	1,561,938
California	22,218,000	23,584,865	23,585	5,500,000	6,308,500	2,299,000	0	57,713	740,871	3,197,584	4,100,525	7,298,109
Colorado	2,493,000	2,646,370	2,646	1,200,000	1,376,400	574,647	0	34,410	83,130	692,187	894,660	1,586,847
Connecticut	2,527,000	2,682,461	2,682	1,204,738	1,381,835	576,916	0	34,546	84,264	695,726	898,193	1,593,919

1998 Senate Elections Costs For One Major-Party Candidate Under S. 3—Continued

[All candidates eligible]

State	Population of voting age (1992)	Estimated 1998 VAP	Estimated 1998 VAP (thousands)	General election expenditure limit	General election expenditure limit (indexed)	Voter communication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rates	Total Government subsidies	Total private subsidies	Total of all subsidies
Florida	10,280,000	10,912,427	10,912	2,968,107	3,404,418	1,421,345	0	85,110	342,792	1,849,247	2,212,872	4,062,119
Georgia	4,848,000	5,146,250	5,146	1,526,562	1,750,967	731,029	0	43,774	161,659	936,462	1,138,129	2,074,591
Hawaii	846,000	898,046	898	1,200,000	1,376,400	574,647	0	34,410	28,210	637,267	894,660	1,531,927
Idaho	721,000	765,356	765	1,200,000	1,376,400	574,647	0	34,410	24,042	633,099	894,660	1,527,759
Illinois	8,545,000	9,070,690	9,071	2,507,672	2,876,300	1,200,855	0	71,908	284,938	1,557,700	1,869,595	3,427,296
Indiana	4,144,000	4,398,940	4,399	1,339,735	1,536,676	641,562	0	38,417	138,184	818,163	998,839	1,817,002
Iowa	2,069,000	2,196,285	2,196	1,200,000	1,376,400	574,647	0	34,410	68,992	678,049	894,660	1,572,709
Kansas	1,822,000	1,934,090	1,934	1,200,000	1,376,400	574,647	0	34,410	60,756	669,813	894,660	1,564,473
Kentucky	2,754,000	2,923,426	2,923	1,277,028	1,464,751	611,534	0	36,619	91,834	739,906	952,088	1,692,074
Louisiana	3,018,000	3,203,668	3,204	1,361,100	1,561,182	651,794	0	39,030	100,637	791,460	1,014,768	1,806,228
Maryland	3,659,000	3,884,102	3,884	1,565,231	1,795,320	749,546	0	44,883	122,011	916,440	1,166,958	2,083,398
Missouri	3,818,000	4,052,884	4,053	1,253,221	1,437,444	600,133	0	35,936	127,313	763,382	934,339	1,697,721
Nevada	962,000	1,021,182	1,021	1,200,000	1,376,400	574,647	0	34,410	32,078	641,135	894,660	1,535,795
New Hampshire	824,000	874,693	875	1,200,000	1,376,400	574,647	0	34,410	27,477	636,534	894,660	1,531,194
New York	13,691,000	14,533,272	14,533	3,873,318	4,442,696	1,832,549	0	111,067	456,534	2,400,150	2,887,752	5,287,902
North Carolina	5,094,000	5,407,384	5,407	1,591,846	1,825,847	762,291	0	45,646	169,862	977,800	1,186,801	2,164,600
North Dakota	461,000	489,361	489	1,200,000	1,376,400	574,647	0	34,410	15,372	624,429	894,660	1,519,089
Ohio	8,120,000	8,619,544	8,620	2,394,886	2,746,934	1,146,845	0	68,673	270,766	1,486,284	1,785,507	3,271,791
Oklahoma	2,330,000	2,473,342	2,473	1,200,000	1,376,400	574,647	0	34,410	77,695	686,752	894,660	1,581,412
Oregon	2,174,000	2,307,745	2,308	1,200,000	1,376,400	574,647	0	34,410	72,493	681,550	894,660	1,576,210
Pennsylvania	9,132,000	9,693,802	9,694	2,663,451	3,054,978	1,275,453	0	76,374	304,511	1,656,339	1,985,736	3,642,075
South Carolina	2,622,000	2,783,306	2,783	1,234,992	1,416,536	591,404	0	35,413	87,432	714,249	920,748	1,634,997
South Dakota	503,000	533,945	534	1,200,000	1,376,400	574,647	0	34,410	16,773	625,830	894,660	1,520,490
Utah	1,128,000	1,197,395	1,197	1,200,000	1,376,400	574,647	0	34,410	37,614	646,671	894,660	1,541,331
Vermont	422,000	447,962	448	1,200,000	1,376,400	574,647	0	34,410	14,072	623,129	894,660	1,517,789
Washington	3,703,000	3,930,809	3,931	1,579,243	1,811,391	756,256	0	45,285	123,479	925,019	1,177,404	2,102,424
Wisconsin	3,644,000	3,868,179	3,868	1,560,454	1,789,841	747,258	0	44,746	121,511	913,516	1,163,396	2,076,912
Total					64,272,436	26,476,667	0	1,606,811	4,550,565	32,634,042	41,777,083	74,411,126

1998 SENATE ELECTIONS COSTS FOR MINOR-PARTY CANDIDATES UNDER S. 3

[All candidates eligible]

State	Population of voting age (1992)	Estimated 1998 VAP	Estimated 1998 VAP (thousands)	General election expenditure limit	General election expenditure limit (indexed)	Voter communication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rates	Total Government subsidies	Total private subsidies	Total of all subsidies
California	22,218,000	23,584,855	23,585	$5,500,000	$6,308,500	$1,149,500	0	$315,425	740,871	$2,205,796	$1,892,550	$4,098,346
California	22,218,000	23,584,855	23,585	5,500,000	6,308,500	1,149,500	0	315,425	740,871	2,205,796	1,892,550	4,098,346
California	22,218,000	23,584,855	23,585	5,500,000	6,308,500	1,149,500	0	315,425	740,871	2,205,796	1,892,550	4,098,346
Florida	10,280,000	10,912,427	10,912	2,968,107	3,404,418	710,672	0	170,221	342,792	1,223,685	1,021,326	2,245,011
Illinois	8,545,000	9,070,690	9,071	2,507,672	2,876,300	600,428	0	143,815	284,938	1,029,180	862,890	1,892,070
New York	13,691,000	14,533,272	14,533	3,873,318	4,442,696	916,274	0	222,135	456,534	1,594,943	1,332,809	2,927,752
New York	13,691,000	14,533,272	14,533	3,873,318	4,442,696	916,274	0	222,135	456,534	1,594,943	1,332,809	2,927,752
Ohio	8,120,000	8,619,544	8,620	2,394,886	2,746,934	573,423	0	137,347	270,766	981,535	824,080	1,805,615
Pennsylvania	9,132,000	9,693,802	9,694	2,663,451	3,054,978	637,727	0	152,749	304,511	1,094,987	916,493	2,011,480
Total					39,893,522	7,803,298	0	1,994,676	4,338,687	14,136,661	11,968,057	26,104,718

YEAR 2000 SENATE ELECTIONS COSTS FOR ONE MAJOR-PARTY CANDIDATE UNDER S. 3

[All candidates eligible]

State	Population of voting age (1992)	Population of voting age (1992) (thousands)	Population of voting age (2000. est.) (thousands)	General election expenditure limit	General election expenditure (indexed)	Voter communication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rate	Total Government subsidies	Private sector subsidies	Total of all subsidies
Arizona	2,740,000	2,740	2,967	$1,290,108	$1,631,987	$681,355	0	$40,800	$93,203	$815,357	1,060,791	$1,876,149
California	22,218,000	22,218	24,059	5,500,000	6,957,500	2,535,242	0	173,938	755,763	3,464,942	4,522,375	7,987,317
Connecticut	2,527,000	2,527	2,736	1,220,914	1,544,456	644,810	0	38,611	85,958	769,380	1,003,896	1,773,276
Delaware	512,000	512	554	1,200,000	1,518,000	633,765	0	37,950	17,416	689,131	986,700	1,675,831
Florida	10,280,000	10,280	11,132	3,739,530	4,730,506	1,974,986	0	118,263	349,682	2,442,931	3,074,829	5,517,760
Hawaii	846,000	846	916	1,200,000	1,518,000	633,765	0	37,950	28,777	700,492	986,700	1,687,192
Indiana	4,144,000	4,144	4,487	1,721,840	2,178,127	909,368	0	54,453	140,961	1,104,783	1,415,783	2,520,565
Maine	924,000	924	1,001	1,200,000	1,518,000	633,765	0	37,950	31,431	703,146	986,700	1,689,846
Maryland	3,659,000	3,659	3,962	1,588,652	2,009,645	839,027	0	50,241	124,464	1,013,731	1,306,269	2,320,000
Massachusetts	4,622,000	4,622	5,005	1,851,241	2,341,820	977,710	0	58,545	157,221	1,193,476	1,522,183	2,715,659
Michigan	6,884,000	6,884	7,454	2,463,596	3,116,449	1,301,118	0	77,911	234,165	1,613,193	2,025,692	3,638,886
Minnesota	3,243,000	3,243	3,512	1,453,511	1,838,692	767,654	0	45,967	110,313	923,934	1,195,150	2,119,084
Mississippi	1,841,000	1,841	1,994	1,200,000	1,518,000	633,765	0	37,950	62,623	734,338	986,700	1,721,038
Missouri	3,818,000	3,818	4,134	1,633,587	2,066,487	862,758	0	51,662	129,872	1,044,293	1,343,217	2,387,510
Montana	585,000	585	633	1,200,000	1,518,000	633,765	0	37,950	19,899	691,614	986,700	1,678,314
Nebraska	1,158,000	1,158	1,254	1,200,000	1,518,000	633,765	0	37,950	39,390	711,105	986,700	1,697,805
Nevada	962,000	962	1,042	1,200,000	1,518,000	633,765	0	37,950	32,723	704,438	986,700	1,691,138
New Jersey	5,919,000	5,919	6,409	5,286,600	6,687,549	2,467,755	0	67,189	201,339	2,836,283	4,346,907	7,183,190
New Mexico	1,089,000	1,089	1,179	1,200,000	1,518,000	633,765	0	37,950	37,043	708,758	986,700	1,695,458
New York	13,691,000	13,691	14,825	4,306,348	5,447,530	2,157,750	0	136,188	465,710	2,759,648	3,540,894	6,300,542
North Dakota	461,000	461	499	1,200,000	1,518,000	633,765	0	37,950	15,681	687,396	986,700	1,674,096
Ohio	8,120,000	8,120	8,793	2,798,199	3,539,722	1,477,834	0	88,493	276,206	1,842,535	2,300,819	4,143,354
Pennsylvania	9,132,000	9,132	9,889	3,072,162	3,886,285	1,622,524	0	97,157	310,632	2,030,313	2,526,085	4,556,398
Rhode Island	774,000	774	838	1,200,000	1,518,000	633,765	0	37,950	26,328	698,043	986,700	1,684,743
Tennessee	3,723,000	3,723	4,031	1,607,869	2,033,954	849,176	0	50,849	126,641	1,026,665	1,322,070	2,348,736
Texas	12,380,000	12,380	13,406	3,951,441	4,998,573	2,045,511	0	124,964	421,115	2,591,590	3,249,073	5,840,663
Utah	1,128,000	1,128	1,221	1,200,000	1,518,000	633,765	0	37,950	38,370	710,085	986,700	1,696,785
Vermont	422,000	422	457	1,200,000	1,518,000	633,765	0	37,950	14,355	686,070	986,700	1,672,770
Virginia	4,748,000	4,748	5,141	1,885,351	2,384,969	995,725	0	59,624	161,507	1,216,856	1,550,230	2,767,085
Washington	3,703,000	3,703	4,010	1,602,455	2,027,105	846,316	0	50,678	125,960	1,022,954	1,317,618	2,340,573
West Virginia	1,364,000	1,364	1,477	1,200,000	1,518,000	633,765	0	37,950	46,398	718,113	986,700	1,704,813
Wisconsin	3,644,000	3,644	3,946	1,583,779	2,003,480	836,453	0	50,087	123,953	1,010,494	1,302,262	2,312,756
Wyoming	323,000	323	350	1,200,000	1,518,000	633,765	0	37,950	10,987	682,702	986,700	1,669,402
Total					82,676,836	33,665,780	0	2,066,921	4,816,090	40,548,791	53,739,943	94,288,734

YEAR 2000 SENATE ELECTIONS COSTS FOR MINOR-PARTY CANDIDATES UNDER S. 3

[All candidates eligible]

State	Population of voting age (1992)	Population of voting age (1992) (thousands)	Population of voting age (2000, est.) (thousands)	General election expenditure limit	General election expenditure limit (indexed)	Voter communication vouchers	Excess expenditure amount	Independent expenditure amount	Special mailing rate	Total Government subsidies	Private sector subsidies	Total of all subsidies
California	22,218,000	22,218	24,059	$5,500,000	$6,957,500	$1,267,621	0	$347,875	$755,763	$2,371,259	$2,087,250	$4,458,509
California	22,218,000	22,218	24,059	5,500,000	6,957,500	1,267,621	0	347,875	755,763	2,371,259	2,087,250	4,458,509
California	22,218,000	22,218	24,059	5,500,000	6,957,500	1,267,621	0	347,875	755,763	2,371,259	2,087,250	4,458,509
Florida	10280,000	10,280	11,132	3,739,530	4,730,506	987,493	0	236,525	349,682	1,573,701	1,419,152	2,992,852
Massachusetts	4,622,,000	4,622	5,005	1,851,241	2,341,820	488,855	0	117,091	157,221	763,167	702,546	1,465,713
Michigan	6,884,000	6,884	7,454	2,463,596	3,116,449	650,559	0	155,822	234,165	1,040,546	934,935	1,975,481
New Jersey	5,919,000	5,919	6,409	5,286,600	6,687,549	1,233,877	0	334,377	201,339	1,769,594	2,006,265	3,775,859
New York	13,691,000	13,691	14,825	4,306,348	5,447,530	1,078,875	0	272,376	465,710	1,816,961	1,634,259	3,451,220
New York	13,691,000	13,691	14,825	4,306,348	5,447,530	1,078,875	0	272,376	465,710	1,816,961	1,634,259	3,451,220
Ohio	8,120,000	8,120	8,793	2,798,199	3,539,722	738,917	0	176,986	276,208	1,192,111	1,061,917	2,254,028
Pennsylvania	9,132,000	9,132	9,889	3,072,162	3,886,285	811,262	0	194,314	310,632	1,316,208	1,165,885	2,482,094
Texas	12,380,000	12,380	13,406	3,951,441	4,998,573	1,022,755	0	249,929	421,115	1,693,799	1,499,572	3,193,371
Total					61,068,464	11,894,331	0	3,053,423	5,149,070	20,096,825	18,320,539	38,417,364

Mr. NICKLES. I compliment my colleagues, Senator SHELBY and Senator MCCONNELL. I am happy to cosponsor this amendment and I hope for the sake of taxpayers this amendment will be successful.

Mr. President, I yield the floor and 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. MCCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. BOXER). Without objection, it is so ordered.

Mr. MCCONNELL. Madam President, I say to my friend from Alabama, the principal sponsor of this amendment, he is not the only Democrat concerned about taxpayer funding.

There was a letter from 47 Members of the House of Representatives, all Democrats, to Speaker FOLEY, which had some very important observations. Quoting from the letter:

We believe the proposed publicly financed communications vouchers will erode support for this legislation in [Congress] and among the public, and possibly cost us a chance to make meaningful reforms of the campaign system. Despite declarations to the contrary, the vouchers take tax dollars to pay for congressional campaigns—tax dollars that should be going to good cause. * * * Direct public financing is a "killer," and there are some better solutions than putting public money into political races.

Senator EXON quoted in Roll Call last week, said:

The whole debate seems to have shifted from [the need for] spending limits to how much taxpayer money we're going to spend on campaigns.

House Speaker TOM FOLEY quoted in Roll Call:

There is no question that there is a very heavy public negative reaction to public financing, and that is the reality. * * *

I despair of getting [taxpayer financing of congressional campaigns] enacted, because the public attitudes are so hostile to it * * * I think public financing is going to be a major problem in campaign finance reform.

Further quoting a House Democratic leadership aide quoted in Roll Call:

The reality is nobody wants it * * * The members are close to their district and they know what their constituents like, and they don't like public financing.

Congressman GLEN BROWDER of the State of the author of the amendment, quoted in AP:

We need to move beyond the killer concept of massive congressional campaign welfare, toward real reform in the most doable package.

Congressman GLEN BROWDER quoted in Roll Call:

It can be argued convincingly that [public financing] will be funded primarily by middle-class Americans and that it is likely that funds will have to be diverted from other programs to cover Congressional campaign assistance.

Congressman GLEN BROWDER, in a letter to President Clinton:

This [public financing] is worse than 'tax-and-spend' government—this is "tax-and-take" for politicians. No matter what spin you put on it, this provision is bad politics and bad public policy.

Congressman GLEN BROWDER, as reported in Roll Call:

Rep. Glen Browder and a pig called "Madonna" held a press conference Thursday. The pig was relieved not to be used for its usual function as a metaphor for wasteful, localized spending, i.e. pork. Instead, Browder wanted to show that * * * the President's proposed campaign finance reform plan will actually have to be paid for by the American taxpayer. Browder said, "You can put lipstick on a pig and call her "Madonna," but she's still a pig."

Mr. DORGAN. I wonder if the Senator from Kentucky will yield for a question?

Mr. MCCONNELL. I will be happy to.

Mr. DORGAN. I listened with interest earlier, and especially today, to my colleague from Oklahoma, Senator NICKLES, and to the Senator from Kentucky. I am not a big fan of public financing of campaigns, although I have voted for it over in the House of Representatives in the past in order to get a bill through, I understand the weakness of that and I understand the attack on that approach. But I might say, I happen to believe we spend too much on campaigns and I believe the imposition of spending limits, albeit voluntary with incentives or whatever, would be very helpful, in my judgment, to start scaling down the massive quantity of money that permeates this political system.

So I ask the two Senators, if we set aside for a moment the question of public financing—and they make an interesting case on that subject—but set it aside for a moment and deal with the question of spending limits, do my colleagues, as do 90 percent of the people in the country when you question them, believe that the problem is there is too much money in campaigns and therefore we ought to find a way to impose spending limits?

Mr. MCCONNELL. That is a very good question. The problem, I say to my friend from North Dakota, is the Constitution. The Supreme Court held clearly in the Buckley case that spending limits were a violation of the first amendment. The Court said that spending is speech, and that you cannot, consistent with the first amendment, dole out speech in equal amounts, saying to the Senator from North Dakota, "You may speak only this much," to the occupant of the chair, "You may speak only the same amount."

The Congress tried in the midseventies to enact spending limits in the absence of a public inducement. The unfortunate reality—I personally do not favor spending limits because I think people ought not to be restricted in their speech. But even if I were in favor of spending limits but opposed to public financing, spending limits and public finance are the Siamese twins of the campaign finance issue. They can not be separated. So any attempt to achieve a spending limit without a public inducement is blatantly unconstitutional.

Mr. DORGAN. If the Senator will yield to me further, I disagree. I think you can separate them. Let me just describe how one might do that.

I happen to feel very strongly that there is too much money in campaigns and spending limits would be a constructive step. I do not agree with the Buckley decision, But them, you know, I am not the Supreme Court. So it stands. But there are ways, it seems to me, to provide inducements to encourage people to accept spending limits. Let me give an example.

We decide that your campaign, the Senator from Kentucky or any of the other Senators on the floor, your campaign is tax exempt.

Under current law, it is tax exempt. You get a tax exemption just by opening a campaign office. We could decide that if you do not want to abide by some spending limits that we describe, you lose your tax exemption. It is a constructive step, it seems to me, to encourage the Senators in this Chamber to decide to stop the money chase and stop trying to chase millions and millions and millions of dollars to add to these campaigns and instead submit to some spending limits.

The reason I am asking this question is I am wondering whether the real difference between us and you, at least some of us who feel as you do, is that I think we ought to have spending limits and we can find a way to get them, even though they are voluntary with incentives, even without public money. I think there ought to be spending limits, and I think many of you feel very strongly that spending limits are inappropriate. That is the fundamental difference. It could engender a long debate and constructive and fruitful one, in my judgment.

Mr. McCONNELL. Madam President, I say to my friend from North Dakota, I confess I do not favor spending limits and have made no bones about it from the beginning. So I do not feel at all queasy about standing up and opposing spending limits.

I also share the view of the Supreme Court that you cannot constitutionally achieve a limit on spending. There have been some suggestions made that we should tax excessive speech. It may be that another way to get at this problem is to say, OK, we will not have any public funds in this, but if a candidate is so audacious as to speak above some kind of quantified limit, that he would then subject himself to a sort of corporate tax rate. In other words, you would pay the Government to speak.

I think that, once again, even though I know what the Senator would like to do—he would like to clamp down on spending and not use any taxpayer funding—you run head on into the Supreme Court and the first amendment. It has been widely held in a variety of different cases, which I will submit for the record, that you simply cannot tax speech. You cannot say that because you have spoken too much you must now pay a penalty to the Government.

I say to my friend from North Dakota, I understand his dilemma. He would like to have spending limits, something he thinks as a matter of policy is desirable; he would like to get rid of taxpayer funding. I will say it is not possible, consistent with the first amendment, to disengage the Siamese twins of this debate. So I understand the dilemma confronting the Senator from North Dakota.

Mr. DORGAN. If the Senator will yield further, much of what is spent in the campaign has nothing to do with speech. Paying a pollster $20,000 for a poll in Kentucky or North Dakota is not paying for the opportunity to speak. But I can go through and list the tens of thousands or hundreds of thousands of dollars of costs that these campaigns have that have nothing to do with speech.

My point is that if one believes, as I do, that there is too much money in campaigns and the chase to find more so you can spend more—not speak more, just spend more—is unhealthy, and if you want to impose spending limits, my point is not to tax those who speak more but to say if you decide that you do not want spending limits and do not want to limit yourself to chasing the millions of dollars, then maybe you ought not be tax exempt. Why should we bestow a tax exemption on everybody just because they are running? We will, say, bestow a tax exemption for those who elect to use voluntary spending limits which we think will be productive to clean up the campaign mess in this country.

Mr. McCONNELL. I understand my friend from North Dakota. I think it is rather clear from previous Supreme Court decisions that that would be considered a tax on speech. In other words, the candidate who agrees not to speak too much pays no tax. The candidate—as I understand the suggestion—the candidate who speaks excessively then pays a tax.

Mr. DORGAN. I understand another colleague of ours is waiting to speak and I will not prolong this. I do not think there is a serious constitutional question here on whether we could extract the tax exemption that is automatically given to a campaign if someone elected not to use spending limits. There has been a lot of legal research done on that. I do not believe that runs afoul of Buckley or any other constitutional impediment. I simply raise the point to say, at least for me, the issue is how much money is spent in campaigns, not how much money is spent to speak, and we ought to find ways to reduce the millions of dollars thrown around in these campaigns. That would be a major and constructive step in reforming our campaign finance system in this country. I thank you very much for being generous to yield to me.

Mr. McCONNELL. Madam President, let me say I understand the frustration of the Senator from North Dakota. The Supreme Court has said spending is speech. The ACLU, for example, believes very strongly that the approach suggested by the Senator from North Dakota is clearly unconstitutional and would be struck down by the courts were it to make it to the courts. Madam President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

DEFICIT REDUCTION

Mr. DOMENICI. Madam President, this morning, the President of the United States had a followup press conference to yesterday, as I understand it. I saw part of it. So the President this morning said that out of each $10 in deficit reduction in the reconciliation bill, and I assume that is the House-passed bill because there is no other, he stated $5 comes from spending cuts, $3.75 from the upper income and $1.25 from the middle class.

Everyone should know nothing has changed. So we have a new way of packaging the same old bill. I do not think that anybody should think this is new. This is still the same old argument which states that 50 percent of the deficit reduction in that House-passed bill comes from spending cuts and 50 percent from tax increases. You can doll it up however you want. It is just a restatement of the President's contention that it is 50 cents cuts, 50 cents taxes, out of every dollar in deficit reduction .

Now, I do not like to come to the floor and go over this again because we have gone over it, but, quite frankly, the President's numbers did not add up 2 weeks ago when I came to the floor and responded to him, and they do not add up today.

These are the facts:

One, the House-passed reconciliation bill cuts spending over 5 years $46 billion. Over two-thirds of those cuts come in the last 2 years of the 5-year period. The House-passed reconciliation bill increases taxes net $276 billion. When you add user fees of $15 billion, the total revenues and user fees exceed $290 billion.

Now, if the president wants to categorize those differently, he is free to. But I leave it to the American people whether $15 billion in new charges to the American people for using services is a cut in programs or an increase in revenues. I think it is the latter. So $290 billion is taxes and user fees or new receipts to the Government, new money taken from the people.

Now, this is a simple ratio. The mandatory expenditures that he saves in that bill, $45 billion, $46 billion, in that bill alone it is $6.35 in taxes and user fees for $1 in spending cuts. Now, under no stretch of any imagination is this 50-percent taxes. Frankly, it is 80-percent taxes and user fees and 14-percent spending cuts.

Now, let us move on and see what else the President might be looking at. He includes future savings from reducing appropriations in his calculations. He claims savings that we already counted when we adopted the 1990 budget agreement. Now, I do not know how many times we have to just flat state that. And who is the source of that information? Senator Domenici? No. The Congressional Budget Office says that you cannot double count the

savings in the 1990 agreement for appropriations for which the American people pay taxes to get the deal.

Everyone was here then. You remember 1990. New taxes, new gasoline taxes, new other taxes, so we would get some cuts. The cuts, $44 billion of the cuts he counts twice. He counts them now in his new package and they were already counted before. So that is one. Even if we give him full credit for the appropriations savings in the outyears, the ratio of taxes to spending is $2.80 in taxes for every $1 in spending cuts. That still is a package of 73 percent in taxes and 27 percent in spending cuts. And again, if we were to give credit for these future outyear spending cuts that could come from the appropriated accounts, the package is still backloaded on spending cuts and front end loaded on taxes.

Amazing; 83 percent of the spending cuts come in the last 2 years, 1996 and 1997; 83 percent of whatever spending cuts the President wants to take credit for come in 1996 and 1997. But not so with the taxes, for they come up front.

Now, frankly, I believe that is one of the reasons the package is not gaining momentum with the American people. They have a simple but true and profound idea: cuts first, taxes later.

This is reversed. This is taxes first and cuts later. And I cannot make it any more amazing than to point out that if you give the President credit for all the things he said he would cut—and I told you some of them are very questionable—83 percent of the spending cuts come in 1996 and 1997, but almost all of the taxes would already be imposed, collected, put in the Treasury and, I submit, you will not get the deficit reduction that you planned for but you will get the taxes that you paid. You will get that burden.

Frankly, Madam President, sometime tomorrow a number of us will come to the floor and speak to this issue, and then I will speak to the remainder of the President's press conference when, it seemed to me, there was an implication that the economic news of the past 5 or 6 months, which all of a sudden turns out to be good economic news, is attributable to something Congress and the President have done since the new President was sworn in. Frankly, I do not know of anything we have done which changed any of that. I think that came because of policies of last year and the year before. We have not changed the deficit. We have not passed any formidable provisions around here to reduce the deficit. We have not produced any stimulus. Nothing has happened. We will go through that in a little bit of detail.

Madam President, I have a table that includes the budget package ratios very simply put. I ask unanimous consent that it be printed in the RECORD.

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

BUDGET PACKAGE RATIOS

[House-passed bill in billions]

	1994	1995	1996	1997	1998	1994–98
Spending reductions: Appropriations	−0.3	−0.9	−7.5	−22.4	−37.3	−66.6
Reconciliation	−1.7	−4.5	−9.1	−14.0	−16.6	−45.8
Other	.9	1.4	1.7	2.1	2.3	8.4
Subtotal	−1.1	−2.2	−14.9	−34.3	−51.6	−104.0
User fees	2.3	2.6	3.9	3.3	3.4	15.5
Revenue increases	32.7	41.6	54.8	73.8	72.6	275.5
Subtotal	35.0	44.2	58.7	77.1	76.0	291.0
Debt Management	−.5	−1.0	−1.3	−1.6	−2.0	−6.4
Debt service	−1.1	−3.6	−7.5	−13.8	−22.1	−48.1
Subtotal	−1.6	−4.6	−8.8	−15.4	−24.1	−54.5
Grand total	−37.7	−51.0	−82.3	−126.7	−151.7	−449.5
Ratio of taxes and user fees to spending reductions:						
Total	32.05 to 1	19.88 to 1	3.95 to 1	2.25 to 1	1.47 to 1	2.80 to 1
In reconciliation	20.68 to 1	9.77 to 1	6.47 to 1	5.52 to 1	4.58 to 1	6.35 to 1

Note.—Based on CBO/JCT estimates.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. SHELBY. If the Senator from New Mexico will yield, would he like me to set aside temporarily my amendment, which is the pending business, so the Senator from New Mexico can offer his amendment?

Mr. DOMENICI. I understood that Senator BOREN was willing to let my amendment come up.

Mr. SHELBY. Senator BOREN is supposed to come out.

Mr. DOMENICI. All right. He told us he was going to do that. I will not lay the amendment down, but let me retain the floor for a moment waiting for Senator BOREN.

The PRESIDING OFFICER. The Senator has the floor.

Mr. DOMENICI. Madam President, this amendment, which I will offer shortly—and I am sure we are going to vote on one way or another before another cloture comes around—is a 40-percent limit on the acceptance of out-of-State contributions. Simply stated, this limits the amount of funds a candidate may accept from out-of-State contributors to 40 percent of their aggregate contributions. This is in addition to the Chafee-Cohen-Jeffords-McCain-Durenberger ban on accepting out-of-State contributions in any but the last 2 years of a campaign. That is a good suggestion, but, frankly, I believe we ought to have a percentage limitation in addition to a timeliness limitation.

The second part of this amendment builds on the Wellstone amendment that limits the taxpayer subsidized benefits available to candidates who spend more than $25,000 of family or personal money on their campaigns.

The amendment Senator COHEN and I will propose shortly would allow, in cases in which a candidate spends in excess of $25,000 of personal money, the opponent's collections of out-of-State contributions no longer be limited to the last 2 years of the election cycle or to 40 percent of the aggregate contributions.

The opponent of a wealthy candidate would also have the ability to raise funds in amounts of up to $10,000 to offset the spending of the wealthy candidate. This would serve as a serious disincentive for wealthy candidates considering the use of personal funds in excess of $25,000.

I see my friend, the manager of the bill, on the floor. I wonder if he might permit us, by unanimous consent, to set aside the pending amendment and offer the Domenici-Cohen amendment and then the vote would be at the Senator's disposal.

Mr. BOREN. I think we can do that. The only thing that I would say to my colleague from New Mexico is that his amendment is offered in behalf of himself and Senator COHEN, would be that the sequencing of these votes—we had the amendment of the Senator from Vermont, who is now on the floor, and

maybe we could get him and the Senator from Kentucky to join in this discussion—the amendment of the Senator from Vermont to be offered, the Senator from Minnesota, Mr. DURENBERGER to be offered, and the amendment of Senator EXON and Senator LEVIN to be offered, which relates to a similar subject matter as the Durenberger amendment.

There is the potential of an amendment by Senator DORGAN which also is on the gross receipts tax. As far as I know, those are the amendments which the leader has agreed to accommodate. But I do not think there is an agreement with the minority leader yet. I think that should be discussed between the two of them.

Mr. McCONNELL. The Republican leader has asked to be protected to offer a couple.

Mr. BOREN. I am not asking for unanimous consent. I think they need to discuss that. He and the Democratic leader need to discuss that together because we are now allowing about five amendments, potentially six, instead of the three that the minority and majority leader apparently agreed to among themselves.

We are certainly accommodating those three. We are accommodating some more in light of the time to give everybody a chance to have a vote on the major policy questions.

So I think we need to encourage the minority leader and the majority leader to talk with each other directly about whatever amendments Senator DOLE wishes to offer. I do not know the subject matter of those.

Mr. McCONNELL. In the meantime, the Senator from New Mexico is ready.

Mr. BOREN. Let me suggest, and ask the Senator from Vermont, because he was also involved in this. Would the Senator from Vermont be willing to have the Senator from New Mexico and the Senator from Maine [Mr. COHEN] to debate their proposal, lay it down, and perhaps go either to the Jeffords or the Durenberger amendment to be laid down and debated, and then I am sure we probably at that point can go to the Exon-Levin amendment to be laid down and debated with all of these votes to occur tomorrow.

It would not necessarily mean they would be voted on in that order. The Senator from Alabama has requested and I think is due to be voted on first tomorrow because he has been waiting for so long to offer his amendment. We could then agree in which sequence the others would be voted on tomorrow. But would my colleague—in fact it might give us a little time again for the Senator from Vermont and I to go over the exact language of his amendment, to let the Senator from New Mexico—I might inquire of him how long he would take, he and the Senator from Maine?

Mr. DOMENICI. Might I say to my friend from Oklahoma, I think 10 minutes tonight. I do not need to reserve substantial time; maybe 7 minutes before the vote.

Mr. BOREN. Tomorrow.

Would it be possible, in terms of, we would have a gentleman's agreement—well, that would take care of it; that would not then in any way displace the amendment of the Senator from Alabama. I think we are all operating in good faith. I think we all understand what we are saying.

Would there be any objection from either the Senator from Vermont, or the Senator from Kentucky, or the Senator from Alabama if I ask unanimous consent in just a moment to let the pending Shelby amendment be temporarily set aside to allow the Senator from New Mexico and the Senator from Maine to offer their amendment, 10 minutes to a side, and the time limitation, with 7 minutes to a side tomorrow, prior to a vote tomorrow, a time yet to be determined? Would that be amenable? Would there be any objection to that at this time?

Mr. McCONNELL. Madam President, I do not see any need for a time agreement. Why do not we let him offer, with the permission of the Senator from Alabama, the amendment and lay it down?

Mr. BOREN. Would the Senator from Vermont want to offer his next?

Mr. JEFFORDS. I would like to offer mine next. I am not sure we have a full agreement. I would like to go as soon as possible.

ORDER OF PROCEDURE

Mr. BOREN. Let me ask unanimous consent at this time, Madam President, that the amendment of the Senator from Alabama be temporarily set aside so that the Senator from New Mexico may offer an amendment on behalf of himself and the Senator from Maine, and I make that request.

Mr. DOMENICI. Reserving the right to object, would the Senator mind adding to that the time would not run until Senator Cohen arrives?

Mr. BOREN. There would be no time limitation.

Mr. DOMENICI. Fine.

The PRESIDING OFFICER. Hearing no objection. Without objection, it is so ordered.

Mr. BOREN. I yield the floor so the Senator from Vermont and I may then have a discussion and hopefully either that amendment or the Durenberger amendment would be ready to be laid down and then the Senator from New Mexico.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Madam President, I am not going to lay the amendment down for a few moments. I will await my colleague. He may want to discuss a word or two of this. I will do that before I send it to the desk.

I want to continue on with a few remarks.

AMENDMENT NO. 454

(Purpose: To reduce the amounts of out-of-State contributions accepted by congressional candidates)

Mr. DOMENICI. I send the Domenici-Cohen amendment to the desk, Madam President, under the previous unanimous consent, and ask that it be immediately considered.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. COHEN, proposes an amendment numbered 454.

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

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

The amendment is as follows:

At the appropriate place insert the following:

SEC. .

Title III of FECA (2 U.S.C. 301 et seq.), as amended by section , is amended by adding at the end the following new section:

"OUT-OF-STATE CONTRIBUTIONS

"SEC. . (a) CONTRIBUTION LIMIT.—The aggregate amount of funds that may be accepted during an election cycle by a candidate for the Senate or House of Representatives or the candidate's authorized committees from individuals, separate segregated funds, and multicandidate political committees that do not reside or have their headquarters within the candidate's State shall not exceed 40 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees.

"(b) EXPENDITURES FROM PERSONAL FUNDS OF A CANDIDATE IN EXCESS OF $25,000.—Notwithstanding any other law, in an election in which the aggregate amount of expenditures made by an eligible Senate candidate or an opponent of an eligible Senate candidate and the candidate's authorized committees using funds derived from sources described in section 502(a)(2) exceeds $25,000—

"(1) any restriction on the amount of contributions that a candidate may accept from out-of-State sources under any provision of law shall not apply to the opponents of that candidate;

"(2) the limitation on the amount of contributions that an individual may make to each of the opponents of that candidate under section 315(a)(1) shall be increased to $10,000; and

"(3) expenditures using funds derived from contributions received by virtue of paragraphs (1) and (2) shall not be counted for the purposes of the general election expenditure limit under section 502(b).".

Mr. DOMENICI. Madam President, I rise today because I am concerned about the direction our effort to reform the financing of Federal campaigns is taking, and to propose an amendment with Senator COHEN to significantly improve the underlying legislation.

Those who follow campaign finance reform are well aware of my thoughts on this issue. Every Congress I have introduced legislation calling for basic reform and I have testified before the Committee on Rules and Administration in regards to that legislation on a number of occasions.

The legislation I have introduced, S. 94, the Grassroots Campaigning and Election Reform Act calls for four very straightforward and specific changes in the law; a flat-out prohibition on House and Senate candidates raising money outside their home State; the abolition of PAC's as we know them, the creation of a strong disincentive to super-wealthy candidates throwing masses of family money into a campaign; and the elimination of soft money.

S. 94 stands in sharp contrast to the underlying legislation before us today. My proposal does not have as its centerpiece so-called voluntary spending limits and as a result it does not have to provide taxpayer subsidized incentives to entice candidates to spend less money. But most importantly, my proposal is straightforward; the rules can be easily explained and voters can have faith in the fairness of the system.

I am greatly concerned that, if enacted, the legislation before us today will create a quagmire of regulations that will have the unintended effect of making Federal campaigns even more dependent upon professional campaign strategists and lawyers, and less dependent upon, and more distant from, our constituents.

I have come to the conclusion that perhaps the greatest failure of our current system of financing Federal campaigns is that it has damaged the faith our constituents have in us to represent their interests. For far too long, Members of Congress have been forced to rely on special interest groups, PAC's, and big out-of-State spenders to fund their campaigns. It is time for campaigns to move back to the grassroots; back to our constituents. If we do not rely on our constituents for political support, why should they expect our politics to reflect their concerns and needs? How can we expect them to rely on us?

I am not convinced that the legislation before us will provide what we need to restore the voters faith in elections and in this institution. I believe that what we need is legislation like that I have proposed numerous times that would take elections back to the grassroots, back to the people.

But I must say that I am very pleased that a number of the ideas I consider integral to campaign finance reform have been included in this year's bill, specifically, a ban on the acceptance of PAC contributions, a limitation on the amount of personal or family funds a wealthy candidate may contribute to his or her own race, and a restriction on the acceptance of out-of-State contributions.

This amendment would strengthen two of those provisions. Specifically, our amendment would place a 40-percent limit on the aggregate amount of funds a candidate could receive from out-of-State contributors and would enhance the existing disincentives for wealthy candidates who spend large quantities of personal, or family money, on their campaigns.

During earlier consideration of this bill, an amendment by Senators CHAFEE, COHEN, JEFFORDS, MCCAIN, and DURENBERGER was accepted by unanimous consent. That amendment allows a candidate to accept contributions from persons who reside outside the candidate's State of residence only in the 2 years prior to the date of the general election in which the candidate is running.

I agree wholeheartedly with the intent of this amendment. I would like to have gone even further by banning the acceptance of out-of-State contributions through the entire election cycle. However, the amendment that was accepted will reduce the amount of time candidates spent outside their home States raising campaign funds and it necessarily focuses a candidate's attention on the support of his or her constituents.

But I am concerned that, if a limitation on the aggregate amount of money that can be accepted from out-of-State contributions is not included in this limitation, the Chafee amendment will simply shift the timing of out-of-State fundraising until the last 2 years of an election and avoid what I hope to understand is the intent of amendment—a reduction in the reliance on out-of-State money to finance congressional campaigns.

The amendment, Senator COHEN and I propose, would limit the aggregate amount of funds which may be collected during an election cycle from individuals, organizations or PAC's who do not have their headquarters or reside within the State from which a candidate seeks election to 40 percent of the total collected. This requirement would be in addition to the previously adopted limitation on the acceptance of out-of-State contributions in all but the last 2 years of the election cycle.

The result, I believe, would be to significantly reduce the possibility of candidates simply delaying massive out-of-State fundraisers until the 2-year deadline now included in the legislation had passed and then going on out-of-State fundraising binges.

In addition, by limiting out-of-State fundraising to a percentage of funds from other sources, my proposal ensures that a balance is struck between the interests of constituents and interested out-of-State contributors.

I am also pleased to see that the underlying Mitchell-Boren amendment includes a provision that limits the use of personal or family money by wealthy candidates. An amendment by Senator WELLSTONE to strengthen this provision has already been agreed to by a vote of 88 to 9. The Wellstone amendment restricts the amount of personal funds an eligible candidate may contribute to their own campaign to $25,000. By voting 88 to 9, the Senate has made clear its intent to discourage wealthy candidates from buying a seat in Congress.

The limitation established in the Wellstone amendment provides the opponent of a wealthy candidate, who spends more than $25,000 of personal money, tax dollars to counter that spending. However, during consideration of the Wellstone amendment, Senator MCCONNELL identified a very real short-coming of this approach to addressing the tremendous advantages available to the very wealthy candidate. To quote Senator MCCONNELL, if the wealthy candidate "is excessively wealthy and just wants to keep on going, at some point his speech will be able to drown out the tax-subsidized opponent."

The limitation provided in the Wellstone amendment will serve as a disincentive to wealthy candidates considering personal spending in excess of $25,000. However, that disincentive is limited by the amount of taxpayer subsidized spending available to the wealthy candidate's opponent.

My amendment would provide a significantly more powerful disincentive without calling upon taxpayer dollars. Should a wealthy candidate unleash the family treasury, my amendment eliminates all restrictions on the acceptance of out-of-State contributions by the wealthy candidate's opponent, and it raises the limitations on individual contributions to the opponent to $10,000.

These limits would be loosened for the opponent or opponents of the wealthy candidate, not the wealthy candidate.

Thus a wealthy candidate would cross that big-spending threshold at his or her great peril. But that is his or her choice.

But let me reiterate: If all candidates hold to the family contribution limits I have cited, all other contribution limits will be maintained, and this provision would have no impact whatsoever on that race.

Combined, I believe the idea of limiting the aggregate amount of money that can be accepted from out-of-State contributions and providing a strong disincentive to candidates considering the use of large amounts of personal or family money will significantly improve congressional elections. The amount of funds available to candidates will be reduced bringing spending down while increased emphasis will be provided to in-State contributions. And, the limitation on wealthy candidates, or the lifting of contribution limits for a wealthy candidate's opponent should the wealthy candidates decided to exceed those limits, ensures a level playing field.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Madam President, I thank my colleague. Let me say for the benefit not only of Senators on the floor but Senators and their staffs who may be listening to us in their offices, we have had a number of Senators talk to us who want a chance to offer their amendments and have them voted on prior to the vote on cloture tomorrow.

It is my hope that we can accommodate these Senators. There are five or six in number. I know we will not be able to accommodate more than that. The Senator from Alabama has offered his amendment. As I understand it, he is willing to temporarily let it be set aside.

Let me say this first. Our hope is, because of the number of Senators on both sides of the aisle with other pressing matters, we would stack the votes on these amendments tomorrow, not vote on them tonight but vote on them tomorrow, and that we would sequence them appropriately with enough time, as the authors want, in the morning, for debate prior to each vote.

And my colleague from Alabama has indicated he would like something like 30 minutes.

Mr. SHELBY. That sound like a good idea to do that. When we stack them, roll them over until tomorrow, I would like about 30 minutes of debate before we vote.

AMENDMENT NO. 454

Mr. DOMENICI. I thank the Chair.

During the last two Congresses, Madam President, I have introduced legislation which I call, the major campaign reform provision that I introduced, the Grassroots Campaigning in Election Reform Act of 1993. That would call for four very straightforward and specific changes in the law:

One, a flat prohibition on raising money out-of-State, meaning that money would all be raised in State. As I have indicated, the amendment that I have at the desk is a little different than that, because some were concerned about the validity of a bill that said no out-of-State money, but my grassroots bill was just that. It was predicated upon campaigns that I think are the best of campaigns; that is, a campaign with a lot of contributors from among your own constituents.

I have had that luxury. I have had that privilege. In the campaign before last, I believe for a New Mexico politician I had far more individual contributions from within my State than anybody has ever had. I do not think anybody has come very close to that number, somewhere around 18,000 for a little State like New Mexico. I think that is good.

If we could have 25,000 and none from out-of-State, that might even be better. But that is not what is going to happen. I am just stating the way I see reform. The abolition of PAC's as we know them was part of that grassroots campaign election reform.

The elimination of soft money, we all have had that debated on the floor for many, many hours. I just believe it should be eliminated because it confuses the electorate, and permits support to come from rather clandestine sources.

I have thought for many, many years that full disclosure was the best in terms of the public knowing what was going on and reacting in some prudent way.

Fourth, I became increasingly concerned about wealthy candidates or candidates from wealthy families, and the Valeo decision which sort of said you cannot do anything about that from the freedom of speech standpoint, and I have come up with what is now being borrowed from various Senators, with a wealthy candidate provision.

I thought of that wealthy candidate provision as one that said if you are going to put your own money in, you have to publicly disclose it at various times. And then all of the inhibiting or restraint provisions against the opponent are lifted so that they can raise far more money once somebody has decided that they are going to use their own.

I have no reason to think that is unconstitutional, and part of that is in my amendment, which is now only two-pronged, the in-State/out-of-State ratio and the removal of impediments to the opponent of a millionaire candidate, in terms of the nonwealthy candidate raising more money to send a signal both that they should not spend their own money in such large amounts and, if they are, they are going to be matched by contributions.

I must say that while I do not support the Mitchell bill, as amended, there are a number of provisions that seem to be coming up here in the Senate that I think are healthy, such as a ban on PAC's, which is clearly in the amendment that was set aside.

Mr. MCCONNELL. If the Senator will yield, that was in fact already accomplished by the Pressler amendment in the first week of the debate. So the underlying bill zeros that out.

Mr. DOMENICI. We made a giant stride there, in my opinion. There is a wealthy candidate limitation that Senator WELLSTONE proposed, which says if you put $25,000 of your own money in, certain advantages take place on the other side. I seek to modify and make those different. And then there is already a restriction of sorts on out-of-State contributions. But it only says you are limited in time to the last 2 years of a 6-year timeframe on raising out-of-State money. I want to add to that 40 percent out-of-State and 60 percent in-State.

There have been a number of amendments accepted by unanimous consent. One amendment is by Senators CHAFEE, COHEN, JEFFORDS, MCCAIN, and DURENBERGER, which allows a candidate to accept contributions from persons who reside outside the candidate's State. I have indicated that is a 2-year limitation. That is a good start.

I actually believe that people of this country do not want public financing. I have heard some very excellent speeches on the floor and listened attentively on that subject. There can be no doubt in my mind that the public truly cannot conceive of the situation where they would be in favor of the kind of taxpayer dollars that is going to have to go into House and Senate races if we are going to publicly finance as a way of keeping limits down, which is the one way that has been thought of in the underlying bill to get spending limitations.

I much prefer to have spending limitations that come from the mere fact that we make it harder for people to raise money, rather than easy, and that is why I am on the floor. It is a better approach and does not have limitations on how much you can spend. But surely, saying that you cannot raise but 40 percent out of State is a limiting factor. And certainly, with no PAC's at home, other than individual contributions, it seems that we are on the way to lowering the thresholds, which I think the American people want. I am not at all sure Senators do not want that. They do not want to be raising money all of the time. They have to do it just because of the competition and the mounting higher thresholds.

From my standpoint, Madam President, I am hopeful that we will get somewhere this year. Frankly, I do not think we ought to consider that we have really had reform, if the underlying bill were to be adopted and it contains spending limitations that are brought about by public funding of campaigns. I just do not believe that is the way to do it. I do not think the American people want it. I think you are inviting more problems than you are solving by doing that.

Frankly, as one Senator who is more willing to look to his own constituents and not to others, if that is the rule of law, I think that is a much better way to get less money into campaigns.

Madam President, I see the Senator from Maine. We have no time limit. I was just about finished. I will yield to the Senator for comments.

We will have 7 minutes again tomorrow before the vote, and I will share it with him, whenever that comes about.

Mr. COHEN. No time limit this evening?

Mr. DOMENICI. No. The amendment is in, and we can talk as long as we would like.

Mr. COHEN. Madam President, I rise to express my agreement with and cosponsorship of the amendment proposed by the Senator from New Mexico.

We are dealing with perceptions and public support. It has become clear in the last several years that the public has become disenchanted with the way in which we are doing business here in Congress; but more important, for the moment at least, how we raise the funds to conduct our campaigns in order to secure a victory to bring us here to this Chamber and that of the House of Representatives.

I have also indicated on a number of occasions that I believe that political action committees have become perceived to be the scourge—or an affliction, at the very least—of our political system. I do not agree with that. I do not share the view that political action committees are the ones responsible for corrupting the system. I believe that political action committees were conceived and created for the express purpose of encouraging more and more people to contribute financially and politically to the system of our Government.

Nonetheless, over the years, this reform that was instituted as a result of the abuses we saw back during the so-called Watergate days have now, in the eyes of the public, become abused themselves.

So I maintain that every reform carries within it the seeds of its own abuse. That is no different today, as we attempt to pass reforms. I can almost guarantee you that any reforms that are passed will in turn become abused and be in need to reform. That is simply a statement of reality. There is no one system that can possibly preserve itself in perpetuity without the need for change, modification and, on occasion, reversal.

So we are where we are today because there is a perception that political action committees have abused their power and have now corrupted the system, and that requires that we eliminate them from the political process. It may present a constitutional issue. It may be that we are unable to pass such an effort to abolish them, in which case we have provided for a backup provision that would allow a maximum contribution of $1,000. That is a separate issue.

The other issue has to be the perception that we spend all of our time moving around from fundraiser to fundraiser, and not only here in the city of Washington, but around the country. When I indicated that I was prepared to support such an amendment as that offered by the Senator from New Mexico, there were suggestions made to my staff from other staff members, "Well, did you know that your boss, Senator COHEN, has raised substantial amounts, the overwhelming majority of his fundraising from out of State?"

The answer is yes; I have. I come from a relatively poor State in terms of its financial abilities, although it is rich in natural resources, as we all know. Like most of us in this Chamber, I have traveled to California, on occasion, and to New York or to Boston or to Florida. I have not devoted a great deal of time to that effort but, nonetheless, the total amount of funds that have come from out-of-State versus in-State have been substantially in excess in terms of a ratio.

If there is a perception that somehow outside influences are turning our heads, I might say I do not think that is the case for me.

Mr. DOMENICI. No.

Mr. COHEN. But I suspect every Senator would say the same thing. There is no outside influence as far as I am concerned. The only people I am really responsible to and responsible for are the people who sent me here. Those are people in Maine. I did not respond to outside pressures. Nonetheless, there is a perception since you raised the money there is a connection. The connection somehow is tantamount to puppet strings and those outside forces are manipulating me and everybody else in this Chamber in a way that is detrimental to the interest of the people of this country.

So if that is the perception and that becomes the reality in the eyes of the people who elect us, then we have to change it. And for that reason—even though it is detrimental to my interest because it means I have to raise a substantial amount of money from within the State of Maine, which is not rich by any national standards—then I think that we have to do that. I think that we have to pass legislation that requires us to raise at least 60 percent of our funds from within State versus those out of State.

I suspect that the argument is going to be made: Well, what about those States that are not rich? What about Maine? What about some of the less populous States? Will not we be placed in a disadvantage? The answer is "perhaps."

But as long as our opponents have to raise their funds from within State, as long as we limit the ability of incredibly wealthy individuals who simply purchase their ride to the House of Representatives, or to the U.S. Senate, then we are all really in the same box, so to speak. If those from poorer States will not be able to raise as much money, our respective campaigns will be less expensive and, frankly, to the extent that a campaign in Maine has always been less expensive than one from California, or New York, or certainly Texas, that we know will mark change in that respective analysis.

But I will have to spend more time raising smaller amounts in my State, and that is to the good.

Mr. DOMENICI. Exactly.

Mr. COHEN. That is to the good. I will have to depend upon $5 and $10 and possibly $15 or $25 contributions. Most people in Maine cannot afford much more than that, but at least the perception will be that I am not beholden to any outside influence.

Senator DOMENICI initially had an amendment with a great disparity between in-State versus out-of-State and would go much further than the amendment he is proposing. I am prepared to support that as well.

But it does raise certain constitutional questions as to whether we would be successful in this effort. So I suggested that perhaps we should bring it down to the ratio that has been included in this amendment.

So for that reason, Madam President, I may have more to say at a later time. I see my colleague from Minnesota, who is here, who may want to offer a comment or two about the subject matter, but if we are really concerned about the perceptions of the American people, about the perceptions of our constituents, then we should take reasonable steps to reassure them that they are the ones to whom we are responsible, that we are not being manipulated by any outside interest as such to the extent that we can minimize the perception that they are.

Now, could we abolish all out-of-State contributions? The answer is "no." Will we put certain people in poorer States at a disadvantage? The answer is "perhaps." It may be you will have a district which is predominantly Republican or predominantly Democratic, and that candidate would have to go outside of that district or State in order to raise funds to run a campaign, but of course the moment you cross the State line you run into the argument: Well, you have someone outside. Why are they supporting you? Are they supporting you because they believe in your candidacy or are they supporting you because they believe in your philosophy? Are they supporting you because they believe you will vote in their favor when their interest comes before the Senate or the House?

So I think to that extent there is this corrosive attitude toward those of us who serve in public office and we have to take whatever steps we can to minimize that. So for that reason, I have joined my colleague from New Mexico. Again it will put me and anyone who runs in the State of Maine or like States at a disadvantage. We do not have the same kind of resources that they do even in Minnesota or in New York, or certainly in California, which has become the money tree. We all rush out to shake that tree and there are planeloads of people who go out, and we have funds raised in Los Angeles or San Francisco or New York City and Chicago, maybe Dallas and Houston.

There will be less of an ability for all of us to do that. A great cheer will go up in California, a great cheer will go up in Texas, Florida, and New York, and possibly even in Boston. Let that be the case.

We, in turn, will have to spend more of our time raising funds, which may run contrary to the spirit of this legislation. We will be spending too much time raising money. We cannot have it both ways by saying we can raise money easier. We have large amounts of money we can raise in New York, Florida, or et cetera. Or we can do it the hard way and that is go out and meet with our constituents and say, brother, can you spare a dollar, or a dime, or anything to help us put on a decent campaign to convey and communicate our idea?

So it will impose burdens upon us, I say to my friend from New Mexico, that those in other States will not have to bear. It is not a complete burden in an absolute case. It is still 60–40. It still says we have to raise the majority of our funds from within State. It is contrary to what I have done in the past, and I am the first to admit this. No one can come rushing to me and through my staff suggest, you know, your boss has raised large amounts of money from outside. I have. I absolutely have.

I hope when we pass this legislation that that will not be necessary, provided we are all treated alike. If we are all subject to the same rules, then I feel I can support and would urge my colleagues to support the legislation.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, first let me thank my friend from Maine for his marvelous remarks, which were practical and to the point.

I would say to him, however, that the truth of the matter is even though we are in poor States and we will not be able to raise as much money because we are not going to go to the rich States, the very fair part of it is neither will our opponents, because presumably, unless they are a superwealthy person, they are going to be subject to the same limitations.

So what we have done is the second part of our amendment says the 60–40 requirement will not be there if a wealthy person decides to fund his or her campaign we will be back going to New York and the other places as a disincentive for wealthy people to use their own money, because that means we are going to raise more money also and, in addition, we try very hard to take on some of the personal limitations on contributions. So it will be made easier if there is a superwealthy person that moves into Maine and decides to spend $5 million of his or her own money.

Mr. COHEN. Madam President, will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. COHEN. Of course, one argument will be we have tremendous powers of incumbency and, of course, there is merit to that argument.

There are some of us who feel we should reduce the ability to take advantage of our incumbency and to provide a fairer means for challenge to those in primaries and general elections. That is one aspect of it. So we do have advantages.

We also have substantial disadvantages. We have the disadvantage of being incumbents, and that today in the present political context can work just as adversely against one as for one, and as long as your tenure in this Senate or the House is seen to be part of the problem. That may account for the proliferation of efforts to have term limitations. There is the sense that if you have served for 12 years you no longer are part of the solution, but that you are part of the problem.

I strongly disagree with that argument but, nonetheless, it is no longer such an advantage to be an incumbent, and to the extent that we can reduce those advantages we ought to do so to make it a much more equal or a level playing field. But surely one of the arguments is that here we are taking advantage of our incumbency, and I would suggest to my colleagues that we do have advantages and we also have serious disadvantages.

Mr. DOMENICI. Madam President, let me conclude by seconding everything that Senator COHEN just said, and adding kind of a personal flavor to it.

Frankly, I believe much of what is bad about raising large sums of money will be made much more wholesome if you have to work at raising the money at home from your own constituents.

I see kind of a twofold aspect to encouraging, in a dramatic way, that U.S. Senate incumbents and candidates seek funding at home.

I think that forces some very healthy things. It forces having meetings where you ask your own constituents to support you, and you are humble about it, clearly indicating that you need their financial help. I think that is good. If they only give you $10, that is fine. If they give you $1,000 or $200, that is fine. They are your constituents.

So I see pushing this kind of skyrocketing fundraising, time-consumed with people you do not know but you must get money from, I see that making a quick turnabout if we could put the kind of limitations that the Domenici-Cohen amendment has with reference to in-State and out-of-State.

Madam President, I ask unanimous consent that Senator NICKLES of Oklahoma be added as a cosponsor as if he were on the amendment when I sent it to the desk.

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

Mr. DOMENICI. I yield the floor.

Mr. FEINGOLD. I ask unanimous consent to speak as if in morning business.

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

The Senator is recognized.

CONSOLIDATION OF BROADCAST SERVICES

Mr. FEINGOLD. Mr. President, I learned a hopeful lesson today—that it actually may be possible to achieve a change and actually reduce Federal spending.

About a month ago, I was in the process of learning how hard it is to achieve a relatively modest deficit reduction goal. And, quite frankly, I thought the experience was going to become more of a disappointment than a victory. I am delighted to say today it looks like it is going to turn out in just the opposite way.

This afternoon, Mr. President, President Clinton announced that agreement had been reached on consolidation of overseas broadcasting services, an action that will achieve at least $261 million in savings for the next 4 years and approximately $137 million in savings each year after that.

This is an issue I have been working on since the day I was sworn into the U.S. Senate about 5 or 6 months ago.

In fact, it was one of those things I had proposed during the campaign for a plan to reduce the Federal deficit, the consolidation of our overseas broadcasting. For that reason, I chose to make it the very first bill I introduced, S. 51, the so-called Overseas Broadcasting Consolidation and Deficit Reduction Act of 1993.

This bill had these goals: We wanted to consolidate U.S.-funded overseas broadcasting in order to reduce costs and eliminate duplication and overlapping services.

We wanted to terminate the Board for International Broadcasting—the BIB—a Federal agency that has administered Radio Free Europe and Radio Liberty.

Another goal was to eliminate an unnecessary new radio transmitter to be in Israel, which would have cost the Federal taxpayers of the United States in excess of $180 million to complete the project, a project which the Israelis did not, by and large, want in their country.

Another goal was to terminate certain other overseas broadcasting services.

And finally, the goal was to achieve deficit reduction savings through these various program changes.

Most of the budget savings, in terms of dollars, would have come from phasing down Radio Free Europe and Radio Liberty, the two cold war services—sometimes called relics—designed to broadcast behind the Iron Curtain and help bring about the fall of communism and the Soviet empire, something which, of course, has happened.

That laudable mission has been completed, yet the radios continue to broadcast, duplicating the signals sent

from the United States from the Voice of America in many parts of Eastern Europe.

I chose the consolidation of these overlapping and duplicative services as my first deficit reduction target, because it appeared, at least from the outside, that this was a great area to demonstrate to the American public that the Federal Government and Congress are actually capable of examining programs, however worthy, which had outlived their usefulness. It was a perfect area to demonstrate that we are actually capable of imposing fiscal discipline to the Federal budget.

So I was very pleased in February when the President included consolidation of overseas broadcasting services in his big deficit reduction proposal. And he even highlighted it as an example of where a federally funded program had outlived its usefulness and it should be phased out.

This is not the end of the story, though. Unfortunately, soon after the President endorsed the changes that he had talked about and that I had proposed—termination of BIB, the phasedown of Radio Free Europe and Radio Liberty, and the termination of the Israel radio transmitter—after all of that, the administration became the target of a massive campaign to back off from the proposal, and I began to see signs that the administration itself may back down on this very important spending cut.

This was discouraging because it seemed to indicate that the administration might not be truly committed to the very spending reductions it had put forth in February.

And, quite frankly, it seemed to me that a very small group of partisans based here in Washington and in Europe could protect these programs whose mission was already completed. If that were true, I was wondering what hope we could have for achieving spending cuts in domestic areas and other areas where the cuts would hit even harder on our constituents and where there are programs of vital importance to communities around the Nation.

I am happy to say today that it looks like that did not happen. For the past several weeks, I and my staff have been in constant contact with administration officials working on bringing about a consolidation that would achieve the kind of budget savings that the administration had originally committed itself to in February.

That resulted in today's agreement that will achieve the following:

Under the President's plan, we will terminate the Board for International Broadcasting and bring all U.S.-funded overseas broadcasting into and under the USIA, the U.S. Information Agency.

The plan also calls, I am happy to say, for cutting the funding of Radio Free Europe and Radio Liberty from a current figure of $220 million per year down to only $75 million a year in fiscal year 1996.

A third major feature of the plan the President announced today is that it will actually reduce the very expensive operations for Radio Free Europe and Radio Liberty in Munich, Germany, by two-thirds and move these functions back to the United States, where the cost will be dramatically reduced.

All of these changes, as I have indicated, will result in about $261 million in savings over the next 4 years, and an additional $137 million each year thereafter.

The savings may even be higher. This could be by a total of $125 million if the Israeli transmitter is not replaced by a new transmitter in Kuwait.

So I am really very pleased. Although the savings are not as great as I hoped to achieve in S. 51, it is a very substantial movement in the direction needed and it provides for the structural changes that are needed to make more rational decisions on how broadcasting resources will be allocated in future years.

Frankly, Mr. President, the principle established by this plan may be even more important than the specifics of the particular issue. Deficit reduction and spending cuts, as you know, are very, very hard to accomplish. But I have learned that it is possible now to pick a target, work hard to achieve a modest spending reduction and, despite the odds, actually win.

Rather than looking at deficit reduction as a major battle on a major battlefield, maybe we should look at fighting the deficit as a kind of guerrilla warfare, where you have to identify a series of separate targets and continue to attack, sometimes by surprise.

Special interests that spring up to defend virtually every item in the Federal budget are tenacious and they will use every tactic possible to defend their programs and their bureaucracies.

Mr. President, I could go on for several hours describing all the details and obstacles that we had to overcome to keep this agreement. I found that, while the defenders of the status quo had lots of allies, the deficit reduction forces had virtually no troops.

This is about Washington, this is about federally funded bureaucracies that people back in my home State in Wisconsin cannot access very easily. They do not have all the information to fight the battle of bureaucracies every day. That is our job.

The administration did appear to waiver in its support for my proposal for awhile, and there were some moments where I thought we had lost them.

But, in the end I am very pleased to say the Clinton administration demonstrated here that it could hold firm to achieving the spending cuts it had promised.

I frankly showed focus on this issue. Rather than giving up, the administration dug in, and made sure that significant cuts were achieved.

I think it is very important that the administration knew they had support on the Hill for making these difficult decisions, although I recognize much of the time what they hear from Congress is demands to protect spending programs rather than for spending cuts.

If we are going to win the battle against the Federal deficit, we have to show you can get as much credit for achieving spending cuts as for bringing home pork. Or, as I like to say back home, let us show we can bring home the cuts as well as the bacon.

We also have to demonstrate we can impose budget discipline by making programs justify themselves. The really hard part about achieving spending cuts is that the programs we are trying to cut are not generally bad programs. They often began at a time when there was a need for the Federal Government to expend resources on the problem, as was the case with Radio Free Europe and Radio Liberty.

In the case, both Radio Free Europe and Radio Liberty played important, essential roles in the cold war. No one can or should diminish the contributions they have made to overthrowing Communist regimes and bringing about dramatic changes in Eastern Europe, and the former Soviet Union. But at some point the mission of anything is accomplished. The necessity for maintaining the same level of funding ends. But, too often, the bureaucracy and the resistance to change is overpowering.

So, Mr. President, this looks like a victory. This looks like a victory for deficit reduction. This looks like a victory for management of scarce Federal resources. And, yes, this does look like a victory to me for the Clinton administration in demonstrating it does intend to cut Federal spending. We can achieve change. It is difficult but it can be done.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota [Mr. DURENBERGER].

Mr. DURENBERGER. Mr. President, I ask unanimous consent I may proceed for 4 minutes as in morning business.

The PRESIDING OFFICER. The Senator is recognized for up to 4 minutes as in morning business.

ALEX SMEKTA AND THE PASSING OF AN ERA

Mr. DURENBERGER. Mr. President, I heard an oldtime Minnesota officeholder say that you are only really connected to a politician if you know the color of their eyes and they know the color of your eyes. That kind of personal connection between people

and their government leaders is what Alex Smekta believed in and practiced through five decades of public life.

To review Alex's official positions and accomplishments—long-time mayor of Rochester, head of the Minnesota League of Municipalities, official for the U.S. Conference of Mayors and a national and international leader of Toastmasters, and faithful aide to me for 14 years—only scratches the surface of his remarkable public life. He was committed—a better word would be devoted—in everything he did to being in touch with people.

Modern politics seems to be consumed with speed, complexity and the sheer volume of information. Take away most politician's cable TV, or computer, or mailing list, or pager, or fax machine and they would not know what to do with their day. There has developed a kind of disdain for the fly-over areas, the places our planes pass over on the way to media centers.

Alex Smekta's technology was an old Oldsmobile, on which he put 150,000 miles doing the people's business. He communicated with a handshake, a direct question and a carefully listening ear. He modeled the rare political virtue that it is far more important for public servants to gather information than to constantly broadcast their views and prescriptions.

He behaved just like the people actually were in charge, like they actually do have the ideas, like they actually do know what is going on.

For 14 years, Alex Smekta went town to town, and door to door through the Main Streets of southern Minnesota as my liaison. He would visit and listen to the banker, the hardware store owner, the farm implement dealer, the librarian, and the folks in the coffee shop. He would find out how things were going and how they felt about their Government. And then he would write me priceless, exhaustive reports about what he saw and heard. I read every word of the over 200 such reports he sent me over the years.

Alex died last week. I will miss him so deeply, because of the connection he gave me to the real life of people I represent. I know they will miss him on those Main Streets because of the very real way in which he connected them to their Government.

I will try to find another way to tap the information Alex gave me over the years, but I will never replace him.

I do not know how many people in Minnesota know what color my eyes are, but thousands know that Alex Smekta's were a clear, Polish blue.

Mr. President, at the funeral in Rochester yesterday Alex's niece Judith Smekta Pettit read a beautiful poem she composed for the gathering of Alex's family, friends, and admirers. I ask unanimous consent that her poem be printed in the RECORD.

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

IN MEMORY OF ALEX P. SMEKTA, MAY 6, 1906–JUNE 10, 1993

Child of the steppes, son of those bold riders who held free that ravaged land. The Golden Horde could go no further than Polish soil.

A young one's terror in the hold of a questing ship, child-bride mother cradling the boy against the small craft's rearing plunge.

In America, freedom from ancient enemies and obligations, freedom to claw the bony land or starve—small hands torn to blood by scimiter-edged rocks moved from the thin field.

Yellow lantern glow, warm proof against the goblin whisper of the wind and the ravening of the wolf. Safety within handbuilt walls. Wildfire, ancient hunter of life, takes form in a sulfurous flash and is drawn from pitch-laden pine to rocky oak like bloodied taffy. Shards of fire lance into cabin walls—animal screams and smoke heavy air, bones of a world pierce the skin of a crimson sky.

A young man helps rebuild and confronts a deepening need to know more than a teacher can tell. Blocks, bricks and mortar rise, his hard hands and arms and back put to the task of building his own school in the ice-lined northern town.

Always the siren of greater knowledge, drawing him forward with silken promises to a place of joining—two great rivers blend their swelling, rolling waters where a town takes a native's name. Here, while walking century old halls, a quiet elegance with dark hair and a slender hand joins him—and the torch and oval provide the way.

A move across the prairie to where country doctors ease the pain of nations, and the questing mind again reaches for more—a business formed with purpose and the strength of the iron man, a brother to match him in intellect and will.

When the people call him to lead in the city of medicine he grasps the slender ivory hand that has sustained him and offers homage to America with two decades of life energy—giving back what he has taken, offering more.

Steppe child to America leads a city to renewal welcoming searchers from other places to share the dream of safety and freedom. Militiamen and kings, mothers and presidents call him friend.

As a leader's ear, he travels and listens and makes it possible for the middle land to be heard in halls of power.

Releasing himself from the city's thrall, he continues to be patriarch and counselor and sustenance of family, through heart-riven by loss of the quiet elegance, she of the dark hair and ivory hand. Approaching the ninth decade, seeking another freedom, he draws that hand to him transcendent.

Those ancient ones, daughters and sons of the Polish plain, must look with favor upon a son of their souls who drew his name across the middle sky and scribed it, diamond-edged, into the hearts of all who loved him.

CONGRESSIONAL SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

The Senate continued with the consideration of the bill.

Mr. DURENBERGER. Mr. President, I rise now to offer a brief explanation of why I voted against the cloture motion on the campaign finance bill and why, unless things progress the way perhaps some people here would like to see them progress, I might intend to do so again. And then I would like to make some comments in favor of the amendment that is before us, by our colleague from Alabama and others.

I am well aware that some of my colleagues oppose cloture because they want to derail this legislation. They think this campaign finance bill as constructed is beyond saving. Mr. President, I most emphatically say that is not my opinion.

I would like nothing better than to pass real campaign finance reform this year—reform that addresses the real concerns of the American people—the people of Minnesota—about the political process. And I think we have the potential to do just that.

We have the potential to give the voters of America what they really demand: a reduction in the influence of special interests; a reduction in the influence of the national organizations and associations that are diluting the value of the common interest; and a return to the time when an individual's contribution of time and earnings counted for something.

I do not know how many of us—I know I do—deplore the fact that my campaign, I think my last one was a $7 million campaign, it did not run on volunteers. It ran on paid folks. It did not run on general people's ideas, it ran on 30-second commercials offered up by a high-priced lobbyist.

So, when people say to me, "Can I help you on your campaign," I kind of know darned well there is no room for them anymore, the way we run campaigns in this country. And I think we could return to a time when those people's contributions actually—when you said, "Yes, I would love to have you," you meant it and they counted for something.

They demand a return to the time when candidates relied on the people who vote for them for the majority of their financing, and a return to the days of challenger opportunity—when the House of Representatives would tolerate a GOP majority every so often.

We need the campaign contributions to come not from people who are looking for what they can get from office-holders—but from people who want to make a difference. Who want to make races more competitive. Who want to fund real debate and discussion on the important issues facing America.

That's what real reform is all about—not keeping all of the things that people dislike about the present system and then asking the taxpayers to pay for it.

We need to limit spending. That means a limit on the length of campaigns, more opportunity for challengers and more meaningful debate.

I want to make this bill a bill worth the Senate's passing. I want to make this a bill the House and President can

not turn down—because their constituents, as opposed to their contributors, demand that they pass it.

I do not see my job as taking any bill the White House sends up and casting an up-or-down vote. I see my job as taking the bill and adding to it, taking away from it and altering it and accepting a few compromises along the way, to make it a bill that combines the collective wisdom of this body. In other words, I want to legislate.

And I believe we have been legislating. The participants in this process have been both Democrats and Republicans. To those who say the opponents of the Democratic bill are stalling, I say listen to the debate.

The majority has been heard on 17 amendments; we have been heard on 16.

The majority has used 18 hours of debate; we have used 13.

Under the care of the two floor managers, the bill is better than it was when the President sent it up here, and it can be made better still.

Four weeks ago, I sat down and I wrote out a set of principles. I found out that four of my colleagues agree on most of them. Since then, I found out a couple others do also. My colleague from Oklahoma, the manager of this bill, has been open to discussion and change. We have proceeded on both sides in the spirit of improving the bill. So to speak of my vote for cloture as a delaying tactic and attempt to talk this bill to death is absolutely ludicrous.

I must say, Mr. President—and it brings a sort of smile to my face in light of an editorial I read today in the Washington Post about the way the White House is managed—I discovered about, oh, 2 hours, ago, from a radio station in my hometown of St. Cloud, MN, that the White House is blasting my vote this afternoon on cloture up there. So one of my staff people called over to the media department at the White House and asked, "What is going on?"

It turns out there are just some eager young people sitting over there paging through the vote last year, determining who voted for final passage last year, and then comparing that with who voted on cloture this year; and these kids are calling up radio stations in my hometown and in other parts of Minnesota. They may be doing that to other Members. I do not know that anyone who represents the President either knows that is going on, or certainly has not apologized for it.

That is not the reason I come here to make this statement. I was prepared to make this statement before we took the vote. But it does say something about the spirit that ought to prevail in this place with regard to improvements in this bill. And it also says something about the motives with which a number of us have addressed improving this bill, as well.

All of the amendments that have been offered, in my opinion—17 on one side, 16 on the other side, something like that—all of them have been important. Every one of them have been substantive. I am convinced the people of the United States want us to address those on the record, and more. We have one before us now, one that has been talked about. I have one, and there are others who will probably bring these amendments, as well.

This happens to be a subject we are all expert on. That may be why it is taking this much time for us to put our heads together.

Anyway, I just suggest to folks at the White House and others, the time for name-calling is over and it is time for legislating. I would like to see a vote on McConnell-Shelby, which I understand we now may have an opportunity to have tomorrow; a vote on my amendment, which I intend to call up fairly soon; and a vote on every one of these substantive amendments.

Mr. President, in concluding this statement, let me say this is no small matter to me. We are contemplating spending billions of taxpayer dollars on our own campaigns. It is not taxed and then spent; it is taxpayers spending their billions of dollars on our own campaigns.

I have not been here that long—I guess I am in my 15th year—but I have already spent $13 million of taxpayers' money. There are those who decry that amount of expenditure and consider it part of the problem. We can address that in this bill. We are contemplating fundamental changes in the way that we do business at home and here on Capitol Hill. We are the ultimate special interest group in this bill, so the American people will be skeptical and they will be watchful. It is in their interest, as well as our own, and we are well-advised to keep at it so we make this campaign reform worthy of the name.

With regard, Mr. President, to the discussion of the Shelby amendment, let me begin where I left off in my comments about cloture, and then get to the point of whether or not a bill like this focuses on politicians, as so much of it seems to, or on the folks out there.

The people in Minnesota—and I might be presumptive enough to say the people of this country—want, it seems to me, first, a greater voice in congressional campaigns, or a sense of a greater voice in these campaigns. They want a more vigorous debate, carried out on a level playing field, and I think they have even told us how they want us to do it.

First, the people want to enhance the voice of the average voter by removing the influence of special interest groups, PAC's. We can do that in this bill by eliminating PAC contributions and lowering the emphasis on Washington fundraising.

Second, people want to enhance the voice of the average voter by reducing the amount of time a candidate has to spend raising money, and increasing the amount of time the candidate has to spend talking to voters. We can do that in this bill by limiting expenditures, limiting off-year fundraising, limiting rollovers from past campaigns, and limiting out-of-State fundraising.

Third, people want competition and debate. They want to make it easier for challengers to really challenge incumbents. Most voters would actually prefer term limitations, but even if that is not going to happen, we can still enhance the debate and the competitiveness in this bill. We can do it by taking away the incumbent's advantage from fundraising, PAC's, and out-of-State donors, by limiting the rollover of campaign funds and building up of huge war chests in the off years, and by putting workable spending limits on campaigns.

But one thing the American people have not asked for is direct use of precious tax dollars to finance campaign communications. In fact, I believe that nothing will alienate and perhaps outrage the American people faster than the direct infusion of tax dollars to pay for self-serving campaign ads. We can create all the qualifications the Constitution allows, like requiring 60-second ads or 5-minutes ads, or requiring our own voices and pictures to be featured, or adding this disclaimer or that. But, in the end, the taxpayers are going to see the money go to showcase my kids, my dog, my church, the hometown I grew up in, the elderly parents, the most recent case I solved for a constituent, and all the other things that high-paid consultants tell us to do to create images for the voters.

All of us have done this, and all of us will still do it, and there is no way to prevent it. It does no real harm, and it may actually do some good. But it is not—and I repeat, not—a justifiable use of taxpayers' money.

The proponent of taxpayer financing know just how unpopular taxpayer financing is. In fact, the proponents of this measure go out of their way to avoid talking about it. In my home State of Minnesota, Common Cause placed an ad urging my support for this bill. The ad never mentioned the central feature of the bill, which is taxpayer financing; it never even mentioned the more vague term "public financing." No, they urged me to support something they call "public campaign resources."

I challenge you, Mr. President, to walk down any street in Minnesota or any street in Virginia, for that matter, and ask people if they want to pay for the 10-, 20-, or 30-second commercials of congressional campaigns and they will say no, absolutely not. But if you ask them if they want to approve of public

campaign resources, they are not even going to know what you are talking about.

I suppose the theory is that if they do not know what you are talking about, you just might squeeze it by them. But we are all going to pay a price for that deception, not only individually at the ballot box, but in terms of the credibility of the institution. A perk is bad enough, but a perk created by deceptive appeals for public campaign resources will not be tolerated.

The same, I think, is true of any attempt to fool people about who actually pays for this. There has been talk about the $5 checkoff for the use of the lobbying deduction as revenue to pay for this, but this is almost as deceptive as the Common Cause ad.

Some of my colleagues have offered amendments to dedicate the lobbying deduction revenue to deficit reduction. Those were important amendments, not because we need to or even ought to start earmarking revenue around here, but because they make the point that it is impossible and imprudent to look at campaign finance in a vacuum.

Every expenditure, whatever the source of the money, means money out of the Treasury, money that could be used for a thousand other good purposes, not the least of which is retiring our staggering debt or reducing the deficit.

If proponents of this legislation are going to use polls to sway our opinion, they ought to make them honest polls that compare the relative support of taxpayer funding of campaigns with the level of support for Head Start, summer jobs, unemployment benefits, or health care reform. All of these are among the potential uses for the lobbying deduction revenue or for a $5 checkoff.

If we are going to settle it by looking at the polls, that is a poll I would like to examine.

I think it is a crying shame that campaign reform is being held hostage to taxpayer financing of campaigns. And the other things we can do to reform campaigns, many of them already contained in this bill, I think are the heart of campaign reform.

In my State of Minnesota, we have had taxpayer financing for two decades. As a matter of fact, I served as vice chair of the Minnesota Ethical Practices Board for the first 3 years—and the first two elections—of its implementation. We have not had restrictions on PAC's and special interest group fundraising, and today the people of Minnesota are still convinced that their legislature is dominated by the special interests and unresponsive to public needs. The cry for campaign finance reform was just as loud in our legislature this year as it has ever been in spite of 20 years of taxpayer financing.

Mr. President, I think there is light at the end of the tunnel. We are making progress on this issue over in the other body, and we are making some progress here. So why do we not step back from taxpayer financing and look for the creative solutions that people are demanding. We have it in our power to enact real campaign finance reform, to restore the people's confidence in the system and to restore competitiveness in our races, once we all realize that taxpayer financing is a nonstarter.

Taxpayer financing is not the cure for our dysfunctional politics. Citizen involvement is. Debates are. Voter education is; removal of PAC fundraising, which breeds cynicism in the voters; and a move away from 10-second TV spots that do not teach anybody anything of public value. That is what real reform would look like.

I will insist that if we pass a campaign reform bill, it has to contain real reform. Nobody outside our charmed circle of the Washington Beltway is calling for a new entitlement program for politicians. The issue is settled. Now it is time for a vote on taxpayer financing, and then we can finally move on to the real reforms that my constituents demand.

So I urge, Mr. President, when the time comes, all of my colleagues rethink their positions on public financing and cast a vote in support of the Shelby amendment.

Mr. President, I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. President, first I rise to talk in favor of the Domenici-Cohen amendment, and after that I will be offering my own amendment.

First of all, I commend the Senators from New Mexico and Maine for introducing an amendment which to me is probably one of the most difficult and yet important issues we will be facing on this bill, for in our small State of Vermont I believe the most serious problem we face is the intervention of out-of-State money. Because each State has the same power, whether it is California, or the State of Vermont, there is the reasonable expectation, which certainly has come to fruition, that people will put money in in order to try and influence the election because of the power that is vested in us by the Constitution.

But to Vermonters, and at least myself, it seems terrible that in most of our Federal elections, primarily the Senate elections, the large, large percentage of money that comes into the election comes from out-of-State PAC's, out-of-State individuals.

I do not think that is what we want. Although this amendment will not totally do away with that problem, it does substantially improve the situation wherein at least 60 percent of the money from in the State for a State election must come from those in the State. I support that. I have tried in each of my elections to get my opponents to agree that they would accept only 50 percent of the money from out-of-State and would try to rely as much as possible upon in-State funding. Thus, I feel very strongly that this amendment will help Vermonters to try and maintain control of their own destiny.

Mr. President, this bill is hopefully coming to its fruition. Along with my colleague from Minnesota, who spoke very eloquently before me, I have been working extremely hard to try to find a middle ground to ensure that we can move forward in campaign reform. I believe it is imperative we do so in order to be able to ensure and assure people in this country we do intend to have elections which are, to the extent possible under the Constitution, free from the influence, undue influence of out-of-State money or PAC's, interest groups, and others.

Thus, we have been working very hard, and as everyone knows we did issue a statement indicating that if certain goals were met we would support the passage of the bill, because although it is important from the perspective of the public, it is also important from the perspective of parties. And thus when we get into the bill, we have to make sure that not only is there a balance, hopefully, between ensuring that challengers have an opportunity to be on somewhat of a level playing field with incumbents, but it is also very important to ensure that the parties are on equal bases, because just by the nature of things different powers and different moneys flow to different parties.

And thus, to try and ensure that there is a parity to the extent possible, I will be offering an amendment in a moment to try to ensure that in the soft money issue we will also have a parity, for I think, quite appropriately, the bill as amended by the Mitchell substitute does attempt to take care of the very serious problems of soft money flowing into the national parties from outside of the spending limits and thus placing the parties in a position to be able to influence elections through money for which there is no real disclosure or tracing.

The amendment that I will offer will take care of another problem, which is a very similar one. And that is because the Constitution provides you cannot prevent someone from contributing to an election, which is part of the situation we are dealing with, also it says that people have the right to be able to discuss and to talk about the elections with their own members.

Now, this means not only unions, which are the predominant utilizer of this part of the law, but also it means corporations and also it means special interest groups such as the National Rifle Association and others.

Millions and millions of dollars flow now into the type of campaigning, and yet there is no requirement at all to disclose the expenditure of those funds during the campaign. There is a requirement that they be disclosed and reported after the campaign, but obviously if you have had a large amount of money that has come in and you are under spending limits and that money is spent and you have lost the election, it does not do you very much good to know why you lost it after the election is over, or even if you do find it out that there is no way you can counter it because you do not have funds available.

So the amendments I will be offering will try to take care of this very substantial loophole. I believe the amendment will be accepted.

What it does say is, first of all, there must be disclosure, and it must be timely disclosure to assure that opponents of those who are trying to influence the election have the opportunity to respond. But even the fact that it is disclosed will not assist you if you are under spending limits and you have expended your funds because you have no opportunity to fairly be able to do that.

So it will allow for the raising of money in excess of present spending limits for the sole purpose and in a limited way to place a national party and then a State party in a position as well as a candidate to be able to counter the money that comes in when you are under spending limits. So that is basically what the amendment will do. I do not believe it will be controversial.

AMENDMENT NO. 456

(Purpose: To require the reporting of soft money used by persons other than political parties to influence Federal elections)

AMENDMENT NO. 457

(Purpose: To allow national parties to establish response funds to counter soft money used against them or their candidates)

Mr. JEFFORDS. At this time, Mr. President, I would ask unanimous consent that the pending amendment be set aside and that two amendments I have at the desk would be offered. I ask unanimous consent that they be considered en bloc because they are very much interrelated.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report the two amendments that the Senator from Vermont has sent to the desk. Without objection, they will be considered en bloc.

The legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS] proposes amendments en bloc numbered 456 and 457.

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

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

The amendments are as follows:

AMENDMENT NO. 456

On page 94, between lines 14 and 15, insert:

Subtitle C—Soft Money of Persons Other Than Political Parties

SEC. 321. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of FECA (2 U.S.C. 434), as amended by section 602(d), is amended by adding at the end thereof the following new subsection:

"(h) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A) If any person to which section 324 does not apply makes (or obligates to make) disbursements for activities described in section 324(b) in excess of $2,000, such person shall file a statement—

"(i) on or before the day which is 48 hours before the disbursements (or obligations) are made, or

"(ii) in the case of disbursements (or obligations) which are to be made within 14 days of the election, on or before such 14th day.

An additional statement shall be filed each time additional disbursements aggregating $2,000 are made (or obligated to be made) by such person.

"(B) This paragraph shall not apply to—

"(i) a candidate or a candidate's authorized committees, or

"(ii) an independent expenditure (as defined in section 301(17)).

"(2) Any statement under this section shall be filed with the Secretary of the Senate or the Clerk of the House of Representatives, and the Secretary of State of the State involved, as appropriate, and shall contain such information as the Commission shall prescribe, including whether the disbursement is in support of, or in opposition to, 1 or more candidates or any political party. The Secretary of the Senate or Clerk of the House of Representatives shall, as soon as possible (but not later than 24 hours after receipt), transmit a statement to the Commission and the Commission shall, not later than 48 hours after receipt, transmit it—

"(A) to the candidates or political parties involved, or

"(B) if the disbursement is not in support of, or in opposition to, a candidate or political party, to the State committees of each political party in the State involved.

"(3) The Commission may make its own determination that disbursements described in paragraph (1) have been made or obligated to be made. The Commission shall notify the candidates or political parties described in paragraph (2) within 24 hours of its determination."

AMENDMENT NO. 457

On page 83, between lines 23 and 24, insert:

"(f) SOFT MONEY RESPONSE FUNDS.—(1) The national committee of any political party may establish a separate fund for purposes of this subsection. Such fund shall consist of contributions described in section 315(p).

"(2) If a candidate or political party is notified under section 304(h) that a person is making disbursements in opposition to a candidate of the political party, or in opposition to such political party, in a State, the national committee may, from the amounts in the fund established under paragraph (1)—

"(A) transfer funds to the State Party Grassroots Fund in such State,

"(B) in the case of funds in opposition to a candidate, transfer funds to an authorized committee of such candidate, or

"(C) transfer funds both as provided in subparagraphs (A) and (B).

The aggregate amounts which may be transferred under this paragraph in response to any notification shall not exceed the amount of disbursements specified in such notice.

"(3) Any amount transferred under paragraph (2) (and any amount expended by the State Party Grassroots Fund or the candidate's authorized committees from such amount)—

"(A) shall not be treated as an expenditure for purposes of applying any expenditure limit applicable to the candidate under title V, and

"(B) shall not be taken into account in applying the limit under section 315(d)(3) for expenditures by a political party or committees thereof on behalf of a candidate."

On page 88, between lines 13 and 14, insert:

(e) CONTRIBUTION TO RESPONSE FUNDS.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 710, is amended by adding at the end the following new subsection:

"(p) CONTRIBUTIONS TO RESPONSE FUNDS.—(1) An individual may make contributions to a response fund established by a political party under section 324(f) which, in the aggregate, do not exceed $12,500 for any calendar year. For purposes of the preceding sentence, contributions during the calendar year preceding the calendar year in which an election occurs shall be treated as made in the year in which the election occurs.

"(2) any contribution under paragraph (1) shall not be taken into account for purposes of subsection (a) (1)(B) or (3)."

Mr. JEFFORDS. Mr. President, I ask unanimous consent that these amendments be considered.

Mr. McCONNELL. Mr. President, reserving the right to object, I believe, upon preliminary review of the amendments that the Senator has offered, that they are very good. I would like to suggest that we just have overnight to take a further look at them. I say to my friend from Vermont, it seems to me they are excellent amendments. I do not expect I will have any objection. But it seems to me it would be a good idea to just—they are probably going to be accepted on a voice vote if we do it in the morning just so we have a chance to review them overnight.

The PRESIDING OFFICER. Is there objection?

Mr. BOREN. Mr. President, reserving the right to object, would the Chair restate the unanimous consent request?

The PRESIDING OFFICER. The unanimous consent request is that the Senate take action at this time on the two amendments that were agreed to be considered en bloc.

Mr. McCONNELL. Mr. President, I object, I assure my friend from Vermont, for the sole purpose of reviewing the amendment overnight. The preliminary conclusion I have reached is that they are excellent amendments. I think I am 99 percent certain to be in support of the amendments. I would like to have an opportunity overnight to take a look at them.

The PRESIDING OFFICER. Objection is heard.

Mr. BOREN. Mr. President, if I might just apologize to my colleague from Vermont. He and I have had some discussion on these amendments earlier. Are there now two as opposed to three amendments?

Mr. JEFFORDS. I have only proposed two amendments, the ones which were delivered most recently to the desk. Referred to at the top is FRA 93.409 and FRA 93.410.

Mr. BOREN. I have them numbered 456 and 457. I wondered if my colleague—I guess these are the numbers that have been given at the desk. The first one begins by talking about soft money response fund. The other is soft money for persons other than political parties. Could my colleague explain these one at a time for me—I apologize, I was out of the Chamber; I have been reading through these—so I will know what they are?

Mr. JEFFORDS. I am happy to accommodate my friend from Oklahoma.

The first one, No. 456, sets up the—the purpose of the two amendments, I guess it is better to explain in this sense, is first of all to require the disclosure of soft money activities related to what is considered the independent type of expenditures in a way, but they are not through that provision. That is the expenditures of unions or other special interest groups which are intended for the purpose of notifying their members that they should vote either for a particular candidate or in a particular election for a particular party. These are not required to be disclosed under the law until such time as the election is over. Then there is a limit of $2,000, which for many expenditures in the pursuance of the election for either a particular candidate, or for a generic, to get out the vote, must be forwarded to the Federal Election Commission.

The problem with that is, and what this amendment tries to correct, is that, if you do not get the disclosure until after the election is over, obviously it does not do you any good and you have no time to respond to it. Thus, this amendment would require that disclosure would be made 14 days prior to the obligation or to the expenditure. If it is closer to the election than 14 days, it would have to be done within 48 hours. The purpose is to allow the candidate then to respond.

Under the circumstances of this bill, the candidates would be under spending limits, in which case they do not have funds available. They will be in the position where they know that something is being done to try to defeat them but they have no way to respond.

So the second amendment sets up a special fund for which donations can be received by the national parties to be kept in a separate fund for the purposes of being able to provide funds to the candidates or to the State committee through the grassroot funds to be able to counter the activities of that special interest group for the purpose of getting out a vote or for whatever purpose it was directed at the candidates.

Right now from the disclosures of the money, we have found that there are millions and millions of dollars being expended. Whether all of the moneys are being properly reported, we do not know. But we do know that somewhere between $10 and $20 million a year is utilized for this purpose.

So the intent and purpose of these amendments is to ensure that we do not, by having spending limits, place a candidate at a severe disadvantage by the fact that funds suddenly arrive that are not, one, disclosed nor, two, do they count against the opponent and thus are available to really turn elections around and create extreme difficulties for people who find themselves burdened by this kind of expenditure.

I think that is as good an explanation as I can give for the amendments at this time.

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

Mr. BOREN. Mr. President, let me ask my colleague. On the amendment, there is a provision here on where the funds would flow. It says, on page 2 of the amendment that deals with the party soft money response fund, national committee to be required to establish a separate fund for the purpose of this subsection, such funds would consist of contributions. If a candidate of a political party is notified under section 304—it says, on page 2, transfer, so you have the fund established, then transfer amounts, transfer funds to the State party grassroots funds in such State. Then it says in the case of funds in opposition to a candidate, transfer funds from authorized committee of such candidate, transfer funds both as provided in subparagraphs (a) and (b).

I am somewhat worried here about whether or not we have clearly enough defined what we are talking about in terms of a transfer. It is my understanding that the Senator from Vermont wishes that, if we had a get-out-the-vote effort, or let us say some other group other than a party communicating with its own members of its own stockholders, if it were a corporation or something, get out the vote, vote Republican or vote Democratic, whatever it is, that in that case the funds could only be transferred to the State party grassroots fund for similar activities and only if the funds are being expended for the purpose of going after one specific candidate as opposed to a slate or to a generic or party group. That would be the allowance under the transfer with individual candidate's fund. Is that correct?

Mr. JEFFORDS. The Senator's interpretation is absolutely correct. It is to try to take care of two different situations. But the way the amendment is written would be transferred, depending upon what the FEC designates that the soft money is being utilized for. Therefore, it would be restricted to either the grassroots funds if it is a generic one, or to the candidate's funds if it is a specific one aimed at the candidate.

Mr. BOREN. Mr. President, I understand what my colleague said. I am concerned and, let me say, I think I need to look at this for a minute longer. I am concerned that in the way it is drafted, it may not be clear as to which fund it flows into and how the decision was made. I did understand the intent correctly, but I am not sure that the drafted language here exactly accomplishes the task that we both are reciting as the goal here. I think we may need additional language inserted at this point to make it clear as to the distinction.

Mr. JEFFORDS. I have no problem laying the amendment over. I was trying to accommodate my good friend from Kentucky and others who wanted to close up. Yet, I wanted to get the amendment in, and if there was no objection, we could handle it tonight.

Mr. BOREN. Mr. President, I yield to the Senator from Kentucky.

Mr. McCONNELL. Mr. President, during the course of the discussion we have had a chance to take a look at the Jeffords amendment further. I had originally thought we might want to look at it overnight. But I am now satisfied that it is a very important addition to the bill, and I have no objection to accepting it and, hopefully, adopting it on a voice vote tonight.

Mr. BOREN. Mr. President, I thank my colleague. The Senator from Vermont and I have been working on this in good faith and with a lot of diligence and energy for the past several days. I think the Senator from Vermont knows that I am basically in sympathy with what he is trying to do here. But I have a little problem with this provision. It was indicated to me on our side, in consultation with the leadership, that we simply would not be in a position to accept this until we have a chance to go over the language a little longer.

I apologize. There is no effort on our part to delay the implementation of this amendment, which I understand is the Senator's concern about nonparty soft money. This Senator shares his desire to make sure that we bring under control nonparty soft money as much as possible, not only disclosure and notice, but that we discourage large sums of money from flowing into this particular area. And I want to work with the Senator from Vermont on this in a constructive way.

I wish I were in a position to say at this moment I was able to accept it, but I am not yet. I feel the need to look over these two amendments a little bit further, because some questions have been raised that I need to get answers to. So, if I might suggest that we—they have been offered. We have not yet entered into a unanimous consent to have them voted upon. We have not ordered the yeas and nays, so the author would still have the ability to amend his own amendment or perfect it before we vote

on it. I hope that we will just stay in that situation a little longer.

Mr. McCONNELL. If the Senator will yield, Mr. President, the distinguished majority leader hoped that we would lay down some additional amendments. I have one other I am prepared to lay down, if we are going to set the Jeffords amendment aside.

Mr. BOREN. We have had an agreement that we would allow the Durenberger amendment, and we have one on our side, agreeing to lay down the Durenberger, Domenici, Cohen, and Shelby amendment. We have an amendment on our side; Senators LEVIN and EXON wish to lay down an amendment which, I presume, they will be over to offer shortly. But not knowing the content of the amendment, I would not be able to agree yet to set aside the pending amendment until I know the content.

The Senator from Minnesota and I have had discussions. Senator DURENBERGER has been patient in terms of offering his amendment, which we agreed to have offered. I do not know whether he is pressing to want to go forward with his in terms of laying it down tonight. I might inquire of my colleague from Minnesota as to his desires?

Mr. DURENBERGER. Mr. President, depending on the sequence here, it had been my preference to see action on the Shelby amendment first. I understand, though, that the preference certainly of the majority leader and others here is to lay down all of the amendments that are going to be considered. If I find myself in that situation, I would like to be sequenced at the end of the various amendments. I would, therefore, be prepared to lay down an amendment, but its content I am at the present time still trying to decide.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER (Mr. FEINGOLD). The majority leader is recognized.

Mr. MITCHELL. If the Senator will yield. Mr. President, I think it is important that we all understand what has occurred and is occurring, and the context in which this discussion is taking place.

We have been on the bill now for 3 weeks; we are in the third week. A large number of amendments have been offered and disposed of. Late last week, I requested that we agree to set a time certain for a vote on final passage of the bill. I have repeated that request almost daily since then, and our Republican colleagues have, within the rules, refused to so agree.

The argument used against it was that there were further amendments to be offered.

I then proposed that we would consider whatever amendments our colleagues wanted to offer, germane to the bill, in exchange for a date, a time, when we could vote on final passage of the bill. That offer was rejected.

Then the distinguished Republican leader and I met today, and out of that discussion, we agreed to have three specifically identified amendments offered and voted on prior to the cloture vote, in exchange for which nothing was granted to us. In other words, I said: All right, we still cannot get agreement on final passage, but if this will be seen as a gesture of trying to move forward on the bill, I will be pleased to do it.

After I announced that, then a fourth Republican Senator came out and said he wanted to offer an amendment, and we agreed to do that. Now we have here, apparently, a fifth such amendment which would be suggested, and we are right back where we were last Thursday, except we have agreed to take a certain number of amendments; but there has been no understanding or agreement we would get a vote on final passage of the bill.

I want very much to be cooperative and accommodating, but we have a cloture vote tomorrow. My hope is that we can complete action on these amendments, and possibly one or two amendments by Senators on our side, prior to the time we vote on cloture. But precisely what I feared would happen now appears to be happening; that having agreed to do three amendments, then a fourth was suggested, and now apparently there is a fifth. I expect there will be many more after that.

I do not have objection to what the Senator from Minnesota has proposed; I want to make that clear. But I guess I am wondering whether any purpose is being served by this, and whether we are actually moving forward on the bill, or whether we are going in the opposite direction as a result of what has occurred.

Mr. DURENBERGER. Mr. President, I believe the question was originally asked of me as to my particular purpose with regard to my amendment, and I will leave others to describe the response of the majority leader's dilemma.

As I recall the events of the day, as far as I was concerned, the majority leader spoke to the issue of three amendments, and I was told he did not mention mine as one of those amendments. So during the course of the afternoon, I made sure that my amendment would be one of the amendments that would be considered. I accept the majority leader's explanation that if he mentioned it, it was inadvertent, that he fully intended that my amendment, which we have discussed over the last several weeks, would be offered.

Mr. MITCHELL. My intention was the three amendments that were discussed, an amendment by Senator SHELBY, an amendment by Senator DURENBERGER, and an amendment by Senator JEFFORDS.

I frankly do not recall, as we had so many exchanges, what I said in which exchange. Those clearly were the amendments that were intended. The Senator is correct. There is no doubt about that.

Mr. DURENBERGER. If I may say then in further response——

Mr. McCONNELL. The Senator is correct.

Mr. MITCHELL. I am advised that is what I said.

Mr. DURENBERGER. I accept that explanation.

I qualified by comments saying I was told by a certain party.

The amendment which I have at the desk now has been discussed at various times by various parties. The only reason that I gave the response that I did to the inquiries about the timing of my amendment is that for purposes of bringing this whole matter to a conclusion, which I think is the majority leader's interest and certainly the interest of everyone here, a modification or modifications might be appropriate in that amendment.

I would prefer if, in fact, we are going to bring this matter to a conclusion or go to another cloture vote, or whatever to do, to at least be given some time opportunity to come to some decision on the exact form of that amendment. But I can tell you it has the same thrust in that amendment as in the amendment that is printed and at the desk at the present time.

Mr. MITCHELL. Mr. President, if I might just say—and I see the distinguished Republican leader on the floor and I am sure he will confirm this—in my conversations with him I was quite explicit that we would not be voting on these amendments today, that what I had hoped is that we could debate the amendments today and then organize the votes for tomorrow. It is my intention to complete action on these and, of course, since under the order I will set the time for the cloture vote following consultation with the Republican leader, that can be done without accommodating anybody, but I do want to accommodate the Senator.

Then Senator COHEN said out here on the Senate floor that we—and I do not know who he meant by "we"—said we are prepared, and I assume he meant the Republican Senators, to stay here all night to debate the amendment. I did not take it literally then because I do not think any of us want to do that.

But I would like to get some understanding, if I could, on what amendments are going to be offered and when we can vote on them. That is all I am asking for.

Mr. McCONNELL. Mr. President, if the majority leader will yield, we will be prepared to accept the amendment of Senator JEFFORDS and get that out of the way tonight. I do not think the Domenici-Cohen amendment was controversial on either side. Or was it?

Mr. MITCHELL. We opposed that amendment.

Mr. BOREN. Mr. President, that amendment will be opposed, but it certainly will not require a lot more debate, as I understand it.

We have the Shelby amendment. So far we have debated the Shelby amendment.

When I say to my colleagues, Senator SHELBY has indicated to me he would be prepared to vote on that tomorrow, he would like to have approximately 30 minutes of time equally divided on the debate on that prior to the vote.

Senator DOMENICI and Senator COHEN have indicated they have completed their debate except for 7 minutes. They would like 7 minutes of debate before the vote tomorrow.

We then have the Jeffords amendment. We asked to look at it and had some work on it over the night. We did not have it lined up to be voted on. Maybe it can be accepted or it will require a rollcall vote. We will wait and see. We hope it would be in shape to accept it.

We then have the potential of the Durenberger amendment, and the only other amendment that we have is the Levin-Exon amendment which was mentioned on our side earlier.

And those are the amendments I know about.

Senator DORGAN and Senator PELL have talked about the potential of amendments depending on the outcome of the others.

So I guess what we really need to know and the leader is asking at this point is, are there other amendments? We would try to accommodate these and have votes on them prior to cloture. Of course, as the leader has said, obviously with the reluctance of the other side to offer a time certain for debate there comes a point at which we, after considering the amendments we agreed to consider, go ahead and have a cloture vote and see if we can bring it to a close. Even after cloture many amendments would be germane and would be offered.

Mr. MCCONNELL. Mr. President, if the Senator will yield, I mentioned earlier in the day the Republican leader has a couple amendments. I suggested one I sent to the desk. Those are the only others I am aware of that are ready to be offered tomorrow.

Mr. BOREN. I think perhaps at the moment we can do this while the two leaders are conversing. As I indicated at the time, I knew they earlier had a conversation and I knew they had talked. Therefore, it seem to me necessary for them to determine whether the Republican leader would offer additional amendments or not.

Unless Senator JEFFORDS wishes to go ahead and explain more of his amendment now, we might suggest the absence of a quorum temporarily while we allow the two leaders to discuss the sequence and number of amendments. Perhaps that would be the best we could do right now.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. 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.

Mr. BUMPERS. Mr. President, I rise today to express my support for S. 3, the Congressional Campaign Spending Limit and Reform Act of 1993 and to emphasize my enthusiasm for a particular provision of this long overdue legislation.

This bill provides safeguards against so-called independent expenditures which are in fact carried out in league with a candidate. I have pursued this issue for years. I have drafted and brought to this floor bills and amendments which would eliminate the sham of so-called independent expenditures which are not independent at all. This provision will characterize expenditures which are made in coordination with, and on behalf of a candidate, as contributions. In that way, they can be properly limited, in a way that is entirely consistent with Buckley versus Valeo. Of course, truly independent expenditures should not be prohibited or limited.

Opponents of reform will declare that this is a limit of free speech, but their complaints ring hollow before the clear precedent of Buckley: spending may not be limited, but contributions may be. A so-called independent expenditure which is made with a nod and a wink on behalf of a friendly candidate is nothing but a contribution that tries to beat the legal limits.

My earlier proposals and this legislation set forth a clear definition of independent expenditures. By that definition and by the rules of common sense and fair play, we know the difference between a truly independent expenditure and a cynical sham.

During the last Congress I was gratified to see my independent expenditures proposal made a part of the campaign finance bill. That bill passed, only to be vetoed by the President, but this year we have taken up the cause again, with a real chance for success.

This year's bill contains independent expenditures provisions similar to those I proposed. It provides the same broadened definition of a contribution, recognizing the reality of coordinated campaigns. It provides some protection against the 11th-hour sneak attack ad campaigns we have seen in recent years, where a candidate can be unfairly smeared and has no chance to respond.

On that issue, this bill adds an additional safeguard to my proposal. It would provide the resources for a candidate to respond to an attack made by an independent group. This should help to even the playing field, allowing less well-funded candidates, likely to be challengers, to respond and defend themselves against attack.

The people are tired of nasty, underhanded campaigns that distort the record of candidates. This provision would limit both the opportunity for those unfairly financed attacks and lessen their pernicious effects. It would discourage 11th-hour sneak attacks and encourage campaigns waged on the issues. The people deserve to know the truth about the candidates, their records and their views. They need to know who is bankrolling each campaign. Most importantly, they need a real chance to evaluate each candidate on the merits. The independent expenditure provisions of this bill will play a key part in restoring fairness and public confidence to the campaign process in America. That is reason to support this bill. I yield the floor.

CONSOLIDATION OF U.S. INTERNATIONAL BROADCASTING

Mr. PELL. Mr. President, this afternoon I had the pleasure of attending the unveiling of the administration's plan to consolidate the U.S. international broadcasting effort. I congratulate the President for taking charge of this difficult, but necessary task. For too long, we have been satisfied with the status quo, even as the world around us undergoes rapid transformation. The proposal the administration presented today challenges us to change. I, for one, support the proposal as it has been outlined to date, and I think it is a proposal my colleagues in Congress can support as well. The proposal establishes a dynamic structure that will better meet U.S. needs for an international broadcasting capability while saving U.S. taxpayers' money.

I am especially pleased that several issues of particular importance to me are addressed in the proposal. First is programmatic independence. In my view, the less susceptible broadcasts are to political pressure from the State Department or USIA, the better. This helps guarantee that the broadcasts will be as objective as possible, and not shaded to meet the policy exigencies of the day. As I understand its structure, the proposed Board of Directors provides the necessary structure to protect broadcasters from political pressure from the Department of State or USIA. This protective structure will cover all broadcasting, including VOA and not just RFE/RL. This shield should enhance the journalistic integrity of broadcasts.

I am also pleased that surrogate broadcasting will continue to portions of Eastern Europe and to the New Independent States. In my view, there is a continuing need for RFE/RL broadcasting to those emerging democracies

where a free press and the legal framework to support it are not yet firmly established.

Finally, beyond the specifics of the proposal itself, I was very pleased to see that the consolidation proposal enjoys the genuine support of the leadership of both the U.S. Information Agency and the Board for International Broadcasting. The presence of the Director of the U.S. Information Agency, Joseph Duffey; Dan Mica, Chairman of the Board for International Broadcasting; and Gene Pell, President of RFE/RL, at this afternoon's presentation was vivid testament to the negotiators' success in this regard.

With these concerns addressed, I am prepared to lend my support to the proposal as it has been presented to date. I will explore the details of the proposal in Senator KERRY's subcommittee's hearing scheduled for this coming Thursday.

I congratulate the negotiators of the proposal for having successfully threaded the needle of compromise. This is compromise in its best sense. I am confident that American foreign policy and the American taxpayer will be well served by it.

U.S. CALLS FOR APPOINTMENT OF U.N. HIGH COMMISSIONER FOR HUMAN RIGHTS

Mr. PELL. Mr. President, Secretary of State Warren Christopher gave one of the principal addresses at the opening session of the World Conference on Human Rights that got under way in Vienna on June 14. This is one of the largest human rights meetings ever, and the most important since the ratification of the Universal Declaration of Human Rights in 1948.

One of the key issues of the conference turns on the attitude of some governments that cultural differences should be taken into account in regard to a country's or region's human rights practices.

I believe our Secretary of State was right to reject this view of cultural relativism when it comes to universal human rights.

Speaking to the conference, Secretary Christopher said that the United States opposes efforts to weaken the 1948 Human Rights Declaration. He said:

> We respect the religious, social and cultural characteristics that make each country unique, but we cannot let cultural relativism become the last refuge of repression.

Secretary Christopher also said:

> My delegation will support the forces of freedom—of tolerance, of respect for the rights of the individual—not only in the next few weeks in Vienna, but every day in the conduct of our foreign policy throughout the world. The United States will never join those who would undermine the Universal Declaration and the movement for democracy and human rights.

Christopher pledged U.S. support for establishing a new position of U.N. High Commissioner for Human Rights. He also expressed U.S. support for increased U.N. financial commitments for human rights work in the field and bringing human rights violators to justice.

A Human Rights High Commissioner would bring the high profile and power of independent action to human rights work that we have seen through the years on behalf of refugees by the U.N. High Commissioner for Refugees. The very title conveys the sense of importance and leadership that we want to see on behalf of the world's commitment to human rights.

Secretary Christopher also pledged active U.S. support for the United Nations' efforts to fight against inhumane treatment of women, and said the United States will press for appointment of a special U.N. Rapporteur on Violence against Women.

The Secretary also announced that the United States will move promptly to obtain Senate consent for ratification of The International Convention on the Elimination of All Forms of Racial Discrimination. This is welcome news which is expected to be followed soon by administration action on other pending human rights treaties, including, as an early priority, The Convention on the Elimination of All Forms of Discrimination Against Women.

Mr. President, our country has a long heritage of support for human rights at home and abroad. This reflects our ideals and has had the support of all parts of our Government. The Congress has often played a key role in manifesting our commitment to human rights. Secretary Christopher was right to recall the leadership of former President Jimmy Carter as well. There is nothing that we do in our work in public service that is of greater value than the promotion of human rights, democracy, and respect for the individual.

Those thoughts are admirably expressed in Secretary Christopher's address to the Human Rights Conference in Vienna, and I ask unanimous consent that the text of those remarks be printed in the RECORD at this point.

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

"DEMOCRACY AND HUMAN RIGHTS: WHERE AMERICA STANDS"

(Remarks by U.S. Secretary of State Warren Christopher, World Conference on Human Rights, June 14, 1993, VIENNA, AUSTRIA)

Thank you, Mr. Chairman. And thanks to Secretary General Fall and the Preparatory Conference Chair Warzazi:

Ladies and Gentlemen, I speak to you as the representative of a nation "conceived in liberty." America's identity as a nation derives from our dedication to the proposition "that all Men are created equal and endowed by their Creator with certain unalienable rights." Over the course of two centuries, Americans have found that advancing democratic values and human rights serves our deepest values as well as our practical interests.

That is why the United States stands with the men and women everywhere who are standing up for these principles. And that is why President Clinton has made reinforcing democracy and protecting human rights a pillar of our foreign policy—and a major focus of our foreign assistance programs.

Democracy is the moral and strategic imperative for the 1990s. Democracy will build safeguards for human rights in every nation. Democracy is the best way to advance lasting peace and prosperity in the world.

The cause of freedom is a fundamental commitment for my country. It is also a matter of deep personal conviction for me. I am proud to have headed the U.S. Government's first interagency group on human rights under President Carter, who is with us today. President Carter will be remembered as the first American President to put human rights on the international agenda. He has helped to lift the lives of people in every part of the world. Today, we build upon his achievements—and those of the human rights movement since its inception.

In this post-Cold War era, we are at a new moment. Our agenda for freedom must embrace every prisoner of conscience, every victim of torture, every individual denied basic human rights. It must also encompass the democratic movements that have changed the political map of our globe.

The great new focus of our agenda for freedom is this: expanding, consolidating and defending democratic progress around the world. It is democracy that establishes the civil institutions that replace the power of oppressive regimes. Democracy is the best means not just to gain—but to guarantee—human rights.

In the battle for democracy and human rights, words matter, but what we do matters much more. What all of our citizens and governments do in the days ahead will count far more than any discussions held or documents produced here.

I cannot predict the outcome of this Conference. But I can tell you this: The worldwide movement for democracy and human rights will prevail. My delegation will support the forces of freedom—of tolerance, of respect for the rights of the individual—not only in the next few weeks in Vienna, but every day in the conduct of our foreign policy throughout the world. The United States will never join those who would undermine the Universal Declaration and the movement for democracy and human rights.

SECURING FREEDOM AFTER THE COLD WAR

The Universal Declaration enshrines a timeless truth for all people and all nations: "Respect for human rights and fundamental freedoms is the foundation of freedom, justice and peace" on this earth. The Declaration's drafters met the challenge of respecting the world's diversity, while reflecting values that are universal.

Even before the Declaration was adopted, the Cold War had begun to cast a chilling shadow. But the framers of the Declaration hoped that each successive generation would strengthen the Declaration through its struggles. It is for each generation to redeem the promise of the framers' work.

Time and again since the adoption of the Universal Declaration, human rights activism has unlocked prison cells and carved out pockets of freedom for individuals living under repression. Today, the global movement from despotism to democracy is transforming entire political systems and opening freedom's door to whole societies.

Nowhere is this great drama playing out on a more central stage than in the former Soviet Union. Ensuring the success of democracy in Russia, Ukraine and the other Newly Independent States is the strategic challenge of our times. President Clinton is determined to meet that challenge of leadership—to tip the world balance in favor of freedom. That is why he has led America into an alliance with Russian reform spearheaded by President Yeltsin.

The promotion of democracy is the first line of global security. A world of democracies would be a safer world. It would dedicate more to human development and less to human destruction. It would promote what all people have in common rather than what tears them apart. It would be a world of hope, not despair.

DEMOCRACY AND DIVERSITY

In 1993 alone, in addition to a massive turnout for democracy in Russia, we have seen unprecedented free elections in Cambodia, Yemen, Burundi, and Paraguay. The Truth Commission in El Salvador has completed its healing work. And the people of South Africa have made dramatic progress toward non-racial democracy.

Around the world, people are doing the hard, sometimes painful work of building democratic societies from the bottom up. They are making democracy work not just on election day, but every day. They are promoting civil societies that respect the rule of law and make governments accountable.

Citizens' groups are pressing for social justice and establishing non-governmental human rights organizations. Women's groups are advocating equal treatment and fighting the widespread practice of gender-based violence. Workers are forming free trade unions. Independent media are giving pluralism its voice. All are creating counterweights to repression by affirming and asserting fundamental freedoms of expression, association, and movement.

American support for democracy is an enduring commitment. We know that establishing and sustaining democracy is not a linear proposition. The world democratic movement will encounter setbacks along the way. But with constant vigilance and hard work, democracy will succeed.

Look at the people of Guatemala. Two weeks ago, they overcame a coup that had dissolved their democratic institutions. They showed that democracy has a new resilience in the Americas, with roots extending deep into civil society. The resolve of the Guatemalan public, backed by the United States and the OAS-led international community, has resulted in the election of a respected human rights defender as President.

And to those who say democracy is a Western contrivance, I say, you forgot to tell the people of Cambodia. Ninety percent of them summoned the courage, in the face of real threats, to re-claim their country by voting in last month's UN-monitored elections. In what was once a killing field, democracy is taking root.

Democratic aspirations are rising from Central Asia to Central America. No circumstances of birth, culture, or geography can limit the yearning of the human spirit and the right to live in freedom and dignity. Martin Luther King and Gandhi, Fang Lizhi and Natan Sharansky—all came from different cultures and countries. Yet each shaped the destiny of his own nation and the world by insisting on the observance of the same universal rights.

That each of us comes from different cultures absolves none of us from our obligation to comply with the Universal Declaration. Torture, rape, racism, anti-Semitism, arbitrary detention, ethnic cleansing, and politically motivated disappearances—none of these is tolerated by any faith, creed, or culture that respects humanity. Nor can they be justified by the demands of economic development or political expediency.

We respect the religious, social, and cultural characteristics that make each country unique. But we cannot let cultural relativism become the last refuge of repression.

The universal principles of UN Declaration put all people first. We reject any attempt by any state to relegate its citizens to a lesser standard of human dignity. There is no contradiction between the universal principles of the UN Declaration and the cultures that enrich our international community. The real chasm lies between the cynical excuses of oppressive regimes and the sincere aspirations of their people.

No nation can claim perfection. In 1968, when the U.S. Delegation arrived at the first World Conference, my country was reeling from the assassination of Martin Luther King, Jr. The murder of Robert Kennedy soon followed. King and Kennedy were deeply committed to building a more just society for all Americans. Their valiant work and violent deaths left deep imprints on an entire generation of young Americans—among them, a university student named Bill Clinton.

DEMOCRACY CAN DELIVER

Many young democracies contend with the vast problems of grinding poverty, illiteracy, rapid population growth, and malnutrition. The survival of these democracies may ultimately depend on their ability to show their citizens that democracy can deliver—that the difficult political and economic choices will pay off soon and not just in some radiant future.

But nations that free human potential—that invest in human capital and defend human rights—have a better chance to develop and grow. Nations that enforce the right to seek and obtain employment without discrimination become more just societies—and more productive economies. And nations that are committed to democratic values create conditions in which the private sector is free to thrive, and provide work.

States that respect human rights and operate on democratic principles tend to be the world's most peaceful and stable. On the other hand, the worst violators of human rights tend to be the world's aggressors and proliferators. These states export threats to global security, whether in the shape of terrorism, massive refugee flows or environmental pollution. Denying human rights not only lays waste to human lives; it creates instability that travels quickly across borders.

THE FUTURE LIES WITH FREE PEOPLE

The worldwide prospects for human rights, democracy, and economic advancement have never been better. But sadly, the end of the Cold War has not brought an end to aggression, repression and inhumanity.

Fresh horrors abound. We have only to think of the enormous human costs of regional conflict, ethnic hatred, and despotic rule. We have only to think of Bosnia—just a few hundred miles from this meeting hall, but worlds away from the peaceful and tolerant international community envisioned in the Universal Declaration.

A lasting peace in the Balkans depends on ensuring that all are prepared to respect fundamental human rights, especially those of minorities. Those who desecrate these rights must know that they will be ostracized. They will face sanctions. They will be brought before tribunals of international justice. They will not gain access to assistance or investment. And they will not gain acceptance by the community of civilized nations.

The future lies in another direction: not with repressive governments but with free people. It belongs to the men and women who find inspiration in the words of the Universal Declaration; who act upon their principles even at great personal risk; who dodge bullets and defy threats to cast their ballots: who work selflessly for justice, tolerance, democracy and peace. These people can be found everywhere—ordinary men and men doing extraordinary things—even in places where hate, fear, war, and chaos rule the hour.

We must keep the spotlight of world opinion trained on the darkest corners of abuse. We must confront the abusers. We must sharpen the tools of human rights diplomacy to address problems before they escalate into violence and create new pariah states.

Today, on behalf of the United States, I officially present to the world community an ambitious action plan that represents our commitment to pursue human rights regardless of the outcome of this conference. This plan will help build the UN's capacity to practice preventive diplomacy, safeguard human rights, and assist fledgling democracies. We seek to strengthen the UN Human Rights Center and its advisory and rapporteurial functions. We support the establishment of a UN High Commissioner on Human Rights.

ADVANCING WOMEN'S RIGHTS

The United States will also act to integrate our concerns over the inhumane treatment of women into the global human rights agenda. We will press for the appointment of a UN Special Rapporteur on Violence Against Women. We will also urge the UN to sharpen the focus and strengthen the coordination of its women's rights activities.

Eleanor Roosevelt and the other drafters of the Declaration wanted to write a document that would live and last. They were determined to write a document that would protect and empower women as well as men. But that remains an unfulfilled vision in too many parts of the world, where women are subjected to discrimination and bias solely based on their gender.

Violence and discrimination against women don't just victimize individuals; they hold back whole societies by confining the human potential of half the population. Guaranteeing women their human rights is a moral imperative. It is also an investment in making whole nations stronger, fairer and better.

Women's rights must be advanced on a global basis. The crucial work is at the national level. it is in the self interest of every nation to terminate unequal treatment of women.

NEXT STEPS OF OUR OWN

Beyond our support for multilateral efforts, the United States recognizes that we have a solemn duty to take steps of our own.

In that spirit, I am pleased to announce that the United States will move promptly to obtain the consent of our Senate to ratify The International Convention on the Elimination of All Forms of Racial Discrimination.

We strongly support the general goals of the other treaties that we have signed but not yet ratified. The Convention on the

Elimination of all Forms of Discrimination Against Women; The American Convention on Human Rights; and The International Covenant on Economic, Social and Cultural Rights; each of these will constitute important advances. Our Administration will turn to them as soon as the Senate has acted on the racism Convention. And we expect soon to pass implementing legislation for the Convention Against Torture in furtherance of the worldwide goal of eliminating torture by the year 2000. To us, these far-reaching documents are not parchment promised to be made for propaganda affect, but solemn commitments to be enforced.

My country will pursue human rights in our bilateral relations with all governments—large and small, developed and developing. America's commitment to human rights is global, just as the UN Declaration is universal.

As we advance these goals, American foreign policy will both reflect our fundamental values and promote our national interests. It must take account of our national security and economic needs at the same time we pursue democracy and human rights. We will maintain our ties with our allies and friends. We will act to deter aggressors. And we will cooperate with like-minded nations to ensure the survival of freedom when it is threatened.

The United States will promote democracy and protect our security. We must do both—and we will.

We will insist that our diplomats continue to report accurately and fully on human rights conditions around the world. Respect for human rights and the commitment to democracy-building will be major considerations as we determine how to spend our resources on foreign assistance. And we will weigh human rights considerations in trade policy, as President Clinton demonstrated last month.

We will help new democracies make a smooth transition to civilian control of the military. And we will assist militaries in finding constructive new roles in pursuit of peace and security—roles that respect human rights and contribute to international peace.

Working with the UN and other international organizations, we will help develop the public and private institutions essential to a working democracy and the rule of law. And we will continue to support America's own National Endowment for Democracy in its mission to help nourish democracy where it is struggling to grow.

PLACE TO STAND UPON

The international debate now turns less on whether human rights are appropriate for discussion—and more on how to address them most effectively. The debate turns less on whether democracy best serves the needs of people everywhere—and more on how soon their democratic aspirations will be met.

Two hundred years ago, in his famous Rights of Man, the political philosopher Thomas Paine wrote this concerning Archimedes' image of the incomparable force of leverage: "Had we a place to stand upon, we might raise the world."

Ladies and Gentleman, the nations of the world do have a place to stand upon; If we stand upon the bedrock principles of the Universal Declaration of Human Rights, and support the worldwide democratic movement, we shall speed the day when all the world's peoples are raised up into lives of freedom, dignity, prosperity, and peace.

That is where this Conference should stand.

This is where America stands.

Thank you very much.

THE PRINCETON UNION-EAGLE ON THE GOVERNMENT AND JOB CREATION: CREATE THE PROPER ENVIRONMENT

Mr. DURENBERGER. Mr. President, every once in a while I run into an editorial that really says it all in a very few words.

On May 13, 1993, the Princeton Union-Eagle ran a five-paragraph editorial entitled "How Government Can Aid With Creation of Jobs." The editors pointed out that "spending public money on created short-term employment is the most expensive and least productive way. The best way is to create the environment that encourages private initiative to make investments, start companies and finance the growth of smaller firms."

The Union-Eagle also points out a major fallacy of the President's "soak the rich" tax plan: "capital [will seek] protection instead of being invested where it would create jobs. * * * Any talk that encourages class distinctions and punitive tax policy may be politically effective * * * but [is] most harmful economically and socially."

Finally, the Union-Eagle's editorialist, Elmer L. Andersen, points out one of the main reasons that employment seems to be lagging in this recovery: the nonwage cost of adding employees. Government is simply loading more and more burdens on employers, rather than working to make it easier to boost employment.

Mr. President, take that from an expert. Elmer L. Andersen spent a career building a very successful international business firm in St. Paul and served in many public service positions—including that of Governor.

I ask unanimous consent that the editorial I referred to be printed in the RECORD at this point, so that my colleagues may have the full benefit of the views of the Union-Eagle and of Governor Andersen.

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

[From the Princeton Union-Eagle, May 13, 1993]

HOW GOVERNMENT CAN AID WITH CREATION OF JOBS

There are many ways state and federal government can aid job creation. Spending public money on created short-term employment is the most expensive and least productive way. The best way is to create the environment that encourages private initiative to make investments, start companies and finance the growth of smaller firms.

The basic environment is sound fiscal policy by the involved state or federal government. That means balanced operating; budgets and controlled debt. Federally we fail wretchedly on this criteria but Gov. Arne Carlson is making solid progress. Minnesota's credit rating is improving and its interest cost on debt is going down, even more than general interest rates.

Tax policy can have important and direct influence, negatively or positively. A lower tax rate on capital gains encourages venture capital investment. If the chance for return is higher, greater risk can be taken. If capital gain is taxed heavily, investors are less apt to make venture capital commitments. It is the establishment and growth of small firms that creates the most jobs.

Talk of singling out the "rich" for tax increases is very bad policy. In the first place it is deceitful because you cannot finance government without broad participation, and, secondly, when any segment feels it is being singled out inequitably it moves to protect itself. With the talk of singling out the "rich," brokers of tax-exempt securities quickly increased their selling efforts. So capital seeks protection instead of being invested where it would create jobs. Furthermore, any talk that encourages class distinctions and punitive tax policy may be politically effective with some people, but most harmful economically and socially. It should be abhorred. Progressive taxation is fair, charging those with more income at higher rates. But presenting it as singling out one group to carry the whole burden is counterproductive from every standpoint.

Keeping government programs, such as worker compensation, within reasonable limits and operated to avoid abuse is essential. Today there are so many auxiliary expenses in hiring a person that firms resort to part-time employment to avoid the excessive burden of government cost on full-time employees. Lawmakers don't look far enough ahead as to the results of laws passed, and what counter action will happen as a result. Simplifying regulation and regimentation would go far to encourage more employment.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination which was referred to the Committee on Energy and Natural Resources.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2201. An Act to amend the Public Health Service Act to revise and extend programs relating to the prevention and control of injuries.

H.R. 2202. An Act to amend the Public Health Service Act to revise and extend the program of grants relating to preventive health measures with respect to breast and cervical cancer.

H.R. 2204. An Act to amend the Public Health Service Act to establish a program

for the prevention of disabilities, and for other purposes.

H.R. 2205. An Act to amend the Public Health Service Act to revise and extend programs relating to trauma care.

MEASURES REFERRED

The following bills were read the first and second time by unanimous consent and referred as indicated:

H.R. 2201. An Act to amend the Public Health Service Act to revise and extend programs relating to the prevention and control of injuries; to the Committee on Labor and Human Resources.

H.R. 2204. An Act to amend the Public Health Service Act to establish a program for the prevention of disabilities, and for other purposes; to the Committee on Labor and Human Resources.

MEASURES PLACED ON THE CALENDAR

The following measures were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2202. An Act to amend the Public Health Service Act to revise and extend the program of grants relating to preventive health measures with respect to breast and cervical cancer.

H.R. 2205. An act to amend the Public Health Service Act to revise and extend programs relating to trauma care.

ENROLLED BILL SIGNED

The PRESIDENT pro tempore announced that on today, June 15, 1993, he signed the following enrolled bill, previously signed by the Speaker:

H.R. 890. An Act to amend the Federal Deposit Insurance Act to provide for extended periods of time for claims on insured deposits.

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-924. A communication from the Assistant Legal Adviser (Treaty Affairs), Department of State, transmitting, pursuant to law, the texts of international agreements and background statements relative to the government of Belgium; to the Committee on Foreign Relations.

EC-925. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semiannual report of the Office of the Inspector General for the period October 1, 1992 through March 31, 1993; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-89. A resolution adopted by the House of the Legislature of the State of Iowa; to the Committee on Agriculture, Nutrition and Forestry.

"HOUSE RESOLUTION 9

"Whereas, the state of Iowa, one of the major agricultural states in the United States, has traditionally relied upon a system of family farming, in which agricultural land and the stewardship of that has been passed down through generations; and

"Whereas, this successful system of agriculture in which members of a family live and work on the land of their grandfathers and grandmothers, and provide food and fiber vital to the nation's welfare, is increasingly threatened by the cost of acquiring agricultural land, improvements, and property; and

"Whereas, the establishment of Iowa's Beginning Farmer Loan Program has been vital to the effort to attract young people into farming, by providing that the Iowa Agricultural Development Authority, an agency of the Iowa Department of Agriculture and Land Stewardship, assists in cooperating with lending institutions to provide beginning farmers financing for the acquisition of agricultural land, improvements, and property; and

"Whereas, this effort has helped to alleviate the serious shortages of funds in private channels and the cost of borrowing money in this state by beginning farmers assuming large debts in order to capitalize agricultural operations; and

"Whereas, Iowa's Beginning Farmer Loan Program is supported by small issue private activity bonds ("Aggie Bonds") which have been exempt from federal taxation; and

"Whereas, federal law, including regulations adopted by the Internal Revenue Service, prevent these bonds from supporting the transfer of agricultural land, improvements, and property between family members; and

"Whereas, the effect of the federal law, is to deprive persons of an opportunity to farm on land held within their families simply because of a familial relationship which is essential to the structure of our system of agricultural production; now therefore,

"*Be it Resolved by the House of Representatives*, That the President of the United States and the Congress of the United States remove current obstacles which prevent the transfer of agricultural land between family members participating in Iowa's Beginning Farmer Loan Program; and

"*Be it Further Resolved*, That copies of this Resolution be submitted by the Chief Clerk of the House to the Honorable Terry E. Branstad, Governor; the Honorable Dale M. Cochran, Secretary of Agriculture, and Mr. William Greiner, Executive Director of the Iowa Agricultural Development Authority; and

"*Be it Further Resolved*," That copies of this Resolution be submitted by the Chief Clerk of the House to the Honorable William J. Clinton, President of the United States; the Honorable Albert Gore, Jr., President of the United States Senate; the Honorable Thomas S. Foley, Speaker of the United States House of Representatives; the Honorable Senator George J. Mitchell, Senate Majority Leader; the Honorable Senator Robert Dole, Senate Minority Leader; the Honorable Congressman Richard A. Gephardt, House Majority Leader; the Honorable Congressman Robert H. Michel, House Republican Leader; the Honorable Senator Daniel Patrick Moynihan, Chairman, Senate Finance Committee; the Honorable Congressman Dan Rostenkowski, Chairman, House of Representatives Committee on Ways and Means; and members of Iowa's congressional delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROCKEFELLER, from the Committee on Veterans Affairs, with amendments:

S. 616. A bill to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans (Rept. No. 103-55).

EXECUTIVE REPORTS OF COMMITTEES

The following executive report of committees was submitted:

By Mr. NUNN, from the Committee on Armed Services:

Ashton B. Carter, of Massachusetts, to be an Assistant Secretary of Defense.

The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's 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. DORGAN:

S. 1097. A bill to provide for the establishment of rural development investment zones, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself and Mr. DURENBERGER):

S. 1098. A bill to amend title XIX of the Social Security Act to provide for optional coverage under State medicaid plans of case-management services for individuals who sustain traumatic brain injuries, and for other purposes; to the Committee on Finance.

By Mr. PELL (by request):

S. 1099. A bill to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1994 and 1995, and for other purposes; to the Committee on Foreign Relations.

By Mr. CRAIG:

S. 1100. A bill for the relief of Amalia Hatzipetrou and Konstantinos Hatzipetrou; to the Committee on the Judiciary.

By Mr. ROTH:

S. 1101. A bill to suspend temporarily the duty on (+)-Methyl p-{2-hydroxy-3-(isopropylamino) propoxy} hydrocinnamate hydrochloride; to the Committee on Finance.

S. 1102. A bill to suspend temporarily the duty on 3-(a-acetonyl benzyl)-4-hydroxycoumarin sodium salt; to the Committee on Finance.

S. 1103. A bill to suspend temporarily the duty on 4-Picolylchloride Hcl, 2H-indole-2-one, 1,3-dihydro-1-phenyl-3-(4-pyridinylmethylene), Linopirdine (active), 3,3-bis(4-pyridinylmethyl)-1,3-dihydro-1-phenyl-2H-indole-2-one, and AVIVA (tablet formulation); to the Committee on Finance.

S. 1104. A bill to suspend temporarily the duty on Triphenylmethyl chloride, Imidazole Intermediate, 1,3-Dihydroxyacetone, N-Chlorosuccinimide, Losartan (active), and

COZAAR (formulation); to the Committee on Finance.

By Mr. COATS (for himself, Mr. LUGAR, and Mr. GRAMM):

S. 1105. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of individual medical savings accounts to assist in the payment of medical and long-term care expenses, to provide that the earnings on such accounts will not be taxable, to allow rollovers of such accounts into individual retirement accounts, and for other purposes; to the Committee on Finance.

By Mr. DURENBERGER (for himself and Mr. DASCHLE):

S. 1106. A bill to amend certain provisions of title XVIII of the Social Security Act relating to end stage renal disease, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER (by request):

S. 1107. A bill to amend title 38, United States Code, to authorize the inclusion in the Office of the Under Secretary for Health of the Department of Veterans' Affairs of health care personnel appointed to positions in the Veterans' Health Administration; to the Committee on Veterans Affairs.

By Mr. BURNS (for himself and Mr. BAUCUS):

S. 1108. A bill to provide for the management of lands and recreational resources at Canyon Ferry Recreation Area, Montana, and other purposes; to the Committee on Energy and Natural Resources.

By Mr. PRESSLER:

S. 1109. A bill to amend the Internal Revenue Code of 1986 to provide that the deduction for depreciation shall be computed on a neutral cost recovery basis, and for other purposes; to the Committee on Finance.

By Mr. AKAKA:

S. 1110. A bill to provide for a National Biological Survey, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KERREY (for himself, Mr. MCCAIN, and Mr. KERRY):

S. 1111. A bill to authorize the minting of coins to commemorate the Vietnam Veterans' Memorial in Washington, DC; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HOLLINGS:

S. 1112. A bill to grant a Federal charter to the Congressional Medal of Honor Museum of the United States; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mrs. KASSEBAUM, Mr. RIEGLE, and Mr. LEVIN):

S. 1113. A bill to amend title XII of the Public Health Service Act to revise and extend trauma care programs, and for other purposes; read twice and placed on the calendar.

By Mr. BAUCUS (for himself and Mr. CHAFEE):

S. 1114. A bill to amend and reauthorize the Federal Water Pollution Control Act, and for other purposes; to the Committee on Environment and Public Works.

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

S.J. Res. 102. A joint resolution to designate the months of October 1993 and October 1994 as "Country Music Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

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

S. Res. 117. A resolution to express the sense of the Senate that the Olympics in the year 2000 should not be held in Beijing or elsewhere in the People's Republic of China; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN:

S. 1097. A bill to provide for the establishment of rural development investment zones, and for other purposes; to the Committee on Finance.

THE RURAL DEVELOPMENT INVESTMENT ZONE ACT OF 1993

Mr. DORGAN. Mr. President, the 1980's were the boom years for parts of America. While young college graduates were swarming to Wall Street, in rural communities across this country people were boarding up shops and filling the family station wagons for the long move somewhere else.

There is great need in rural States like mine. But it is invisible to the experts here in Washington because they can see the world through a statistical lens that blocks this need out. They look mainly at unemployment and poverty figures, so they totally miss a most important fact: sometimes unemployment and poverty rates are low because people have been giving up and moving away.

That's the case in numerous counties in North Dakota, and in other States as well. It is a problem this country cannot ignore. Rural communities are important to America. They are low in crime and other social problems. We have a large investment in homes, schools, roads, and other facilities in rural America, and it would be a crime to let these go to waste.

We need two things. First, we need a way to bring new enterprise to rural America, just as we are doing for our inner cities. And second, we need a way to target this help that is geared to ways that impoverishment and need show themselves in rural settings.

Today I am introducing the Rural Development Investment Zone Act of 1993, to encourage businesses to bring new jobs and capital into economically distressed rural areas. Congress passed similar legislation twice in 1992, but it was held hostage by the previous administration. Now, we have an opportunity to offer real economic opportunities to rural America. This will help stem the mounting flow of workers who are forced to leave their homes and families to seek work elsewhere—often in overcrowded cities.

This legislation is designed to attract businesses into impoverished rural America through targeted income tax incentives. It would designate up to 100 rural investment zones around the country, based not just on traditional economic indicators such as unemployment and poverty rates, but also on factors that are appropriate to economically distressed rural regions such as outmigration and job loss.

In the past, formulas to allocate economic development funds have been biased against rural America. Based largely on unemployment and poverty rates, they did not take account of the way people in rural America pick up and leave when local factories close their doors. This bill, by contrast, takes account of the laid-off rural workers who do not show up in unemployment statistics until they have reached the cities. This quiet migration decimates our rural areas and adds to the social burdens of large cities. No one benefits and that is why we need a development zone package that truly helps rural communities to survive.

My legislation uses employment-related tax incentives to both attract businesses to the rural development investment zones. The Federal tax incentives include an employer tax credit of 10 percent for increased spending on wages, and an investment tax credit for new machinery used within the development investment zone. The bill also includes a rural development bond proposal intended to bring much-needed capital to finance new commercial development projects within the zone. All of these tax benefits are generally available only for new business activity within the RDIZ.

I urge my colleagues in the Senate to join my efforts to ensure that traditional ways of looking at economic blight do not prevent the availability of much-needed economic growth incentives that are so desperately needed to improve the quality of life for rural Americans.

The highlights of the bill follow:

DESIGNATION PROVISIONS FOR IMPOVERISHED RURAL AREAS

Up to 100 rural development investment zones may be designated by Treasury and no more than 40 designated during the first 12 months to minimize the potential effect on the Treasury.

Areas nominated may not be in a metropolitan statistical area [MSA] and must have a population of less than 50,000, or be outside a MSA or be determined by Treasury to be a rural area.

Areas nominated must have a population of at least 1,000.

Designations are based on the degree of poverty, unemployment, out migration, job loss and general economic distress.

OUTMIGRATION

The population of the area decreased by 10 percent or more between 1980 and 1990, based upon the most recent census data.

JOB LOSS

The amount of wages in the areas, and subject to tax under section 3301 is not more than 95 percent of such wages during the 5th preceding calendar year.

FEDERAL INCOME TAX INCENTIVES

Credit of 10 percent for qualified increased employment expenditures.

Credit of 10 percent for new development investment zone construction property.

Expanded tax-favored bond financing of up to $1 million for qualifying commercial RDIZ businesses.

OTHER PROVISIONS

Treasury will publish the specific guidelines and procedures for setting up a RDIZ.

State and local government commitments are also required, including reduced tax rates, streamlined governmental requirements, local services, and technical assistance.

The Foreign Trade Board shall consider any application to establish a foreign trade zone within a development zone on a priority basis.

Waiver or modification of Treasury rules are permitted in certain circumstances in order to further job creation, community development and economic revitalization objectives of the zones.

By Mr. ROCKEFELLER (for himself and Mr. DURENBERGER):

S. 1098. A bill to amend title XIX of the Social Security Act to provide for optional coverage under State medicaid plans of case-management services for individuals who sustain traumatic brain injuries, and for other purposes; to the Committee on Finance.

BRAIN INJURY REHABILITATION QUALITY ACT OF 1993

• Mr. ROCKEFELLER. Mr. President, today I am introducing the Brain Injury and Rehabilitation Quality Act of 1993, with my distinguished colleague from Minnesota, Senator DAVE DURENBERGER. This legislation can improve the care and delivery of health services for hundreds of thousands of brain-injured individuals, many of whom will become permanently disabled as a result of their injury. It will provide States with the flexibility to establish a central registry of traumatic brain injuries through the Centers for Disease Control; focus on preventive programs and research on the best treatments for recovery; and give States the authority to use a case management model to help assure the most appropriate, and therefore, most cost-effective care, is coordinated for these people. My colleague and I introduced similar legislation last year, but we have worked to improve the language of this bill to assure that States can be given the opportunity to establish these programs without increasing overall spending for services to the brain injured. With the use of this approach, I believe that we will be able to provide better quality and increased services to these people by tailoring care to their individual needs.

Let me tell you whom we seek to help by this legislation. The brain injured are unsuspecting, and mostly young victims of head traumas. They can be children involved in diving accidents, young adults damaged in automobile crashes, the elderly that have fallen, or any one of us who has the misfortune to—at any time and without warning—sustain a severe blow to the brain.

More often than not, these people will come to depend on Medicaid for their health care. The exorbitant cost of head injuries—from $100,000–$300,000 per year—forces people into the Medicaid program because few Americans are equipped to deal with those incredible costs. Even if they are covered by insurance, it is likely to run out before their need for care is exhausted. So, for tens of thousands of Americans who will need comprehensive, long-term rehabilitative care, an imperfect Medicaid system becomes the court of last resort for the head injured and their families. That is why it is so important to make sure the system works.

Linda Petry, a West Virginia mother whose son, Chad, sustained a severe traumatic brain injury 5 years ago, is a real life example of the systematic problems that people encounter as they learn to cope with the financial, emotional, and physical burdens associated with caring for a brain injured family member. Linda struggled to get Medicaid to provide Chad needed rehabilitative care. After months in a facility, she took him home because he wasn't improving further and "my conscience was bothering me—the State was spending a fortune—$500 a day—and Chad wasn't getting what he needed."

Linda and Chad's story tells us something about the tough choices that a lot of families face because of Medicaid's current inability, due in part to its institutional bias, to address some of the unique problems of special populations, such as the brain injured. Stories like Linda and Chad's demand that we reconsider how we can best restructure our care delivery system so that these families, who have already endured so much, will have a better chance of receiving the care they need.

Coordinated case management is a tool that can help. The Brain Injury Rehabilitation Quality Act of 1993 will allow States, on a case-by-case basis, to adopt a case management approach. It can keep the brain injured at home when appropriate, saving dollars and preserving families. There is little we can do to protect against the unforeseen and unavoidable personal tragedies that result from head injuries. But we can work to prevent injuries wherever possible, and insure that our health care system can respond to the needs of those citizens who ultimately must rely on its protection. My legislation will help do that as well.

Administrative case management is already working in a program for the brain-injured in Minnesota. Minnesota has saved almost $1.4 million in a year by avoiding residential placement and taking advantage of more appropriate community programs. My legislation builds on that success and allows other States to benefit from Minnesota's model program. Additionally, the act designates State coordinators for Traumatic Brain Injury [TBI] Programs, establishes a national TBI registry, and calls for studies of effectiveness of TBI interventions.

Each year in the United States, there are at least 500,000 individuals hospitalized with TBI's. Even more staggering is the fact that 70,000–90,000 people a year who survive with a serious head injury are left with intellectual impairment of such a degree that they cannot return to a normal life and require long term and high cost care. And an estimated 1.5 million people suffer from traumatic brain injury at an overall cost to society of $48 billion. Since the vast majority of head injured are young, lifetime costs for a severely injured person may approach $5 million per case.

Our current medical, rehabilitation, legal and social systems are simply not capable of dealing with the immediate or long care needs of head injury victims. Pauline Hess of Martinsburg, WV, provides us with yet another graphic example of a system that cannot respond to the people it is designed to serve. Pauline tells us about her son, Bill, who spent 4 months in a nursing home for the elderly and 6 months in a mental institution because there was nowhere else to put him, even though Bill is intellectually intact. Neither the Department of Health and Human Services [HHS] nor the Department of Education [DOE] has established standards for postacute care, and the emphasis has been on basic research and demonstration projects. Additionally, limited Federal funding through Medicaid supports medical or hospital-based services. Postacute care funding is not available for the brain injured, and financial support for home and community-based treatment and services is meager.

Surveys of all States confirm what we already know—that current treatment of brain injured citizens is woefully inadequate. Some States do not even know how many patients are receiving public aid for head injury, how they are served, or how much money is expended. Other States refer severely brain injured citizens to costly out-of-State inpatient facilities, where quality of care has not been monitored and where there is compelling evidence of waste, fraud, and abuse by unethical providers of TBI care. A recent study concluded that long, expensive inpatient stays were often unwarranted, and recommended improving the effectiveness of less costly posthospital programs.

At the heart of my Brain Injury Rehabilitation Quality Act is the hope

that we can help more individuals either return to productive lives in their communities, or at least be placed in supervisory care that maximizes their function and well-being. This bill is designed to identify the scope of the problem, coordinate care, and develop research programs that prevent or reduce TBI. Its key features are:

Optional Medicaid coverage of case-management services for individuals with TBI's as long as the total cost of the State program does not exceed current State expenditures. Administrative case managers assess, plan and coordinate a broad range of services while making sure that the best value is achieved for every public dollar expended. Greater emphasis is placed on home and community based settings, rather than more costly and sometimes inappropriate residential care;

Establishment of a national registry of TBI's through the Centers for Disease Control and Prevention;

Designated State TBI coordinators to contract for statewide services, develop a prevention program, establish a central registry and reporting system for TBI's, and develop standards for marketing TBI services;

A study of effectiveness of TBI interventions by the Agency for Health Care Policy and Research.

I hope you will carefully consider the magnitude of this problem and the positive, life-enhancing difference this legislation can make to those who suffer from the terrible burdens of these disorders. Several years ago, Congress recognized the decade of the brain by enacting a resolution to identify the tremendous needs and opportunities which exist in this area. With your help, we can carefully invest resources in needed brain-related research, health services, and education.

Mr. President, I ask unanimous consent that a summary of the bill and the complete 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. 1098

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 "Brain Injury Rehabilitation Quality Act of 1993".

SEC. 2. MEDICAID COVERAGE OF CASE-MANAGEMENT SERVICES FOR INDIVIDUALS WITH TRAUMATIC BRAIN INJURIES.

(a) IN GENERAL.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended—

(1) by striking "and" at the end of paragraph (21);

(2) by striking the period at the end of paragraph (24) and inserting a semicolon;

(3) by redesignating paragraphs (22), (23), and (24) as paragraphs (25), (22), and (23), respectively, and by transferring and inserting paragraph (25) after paragraph (23), as so redesignated; and

(4) by inserting after paragraph (23), as redesignated, the following new paragraph:

"(24) case-management services provided (in accordance with section 1931) for individuals who sustain traumatic brain injuries; and".

(b) CASE-MANAGEMENT SERVICES DESCRIBED.—Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is amended by adding at the end the following new section:

"CASE-MANAGEMENT SERVICES FOR INDIVIDUALS WITH TRAUMATIC BRAIN INJURIES

"SEC. 1931. (a) IN GENERAL.—For purposes of section 1905(a)(24), case-management services for individuals who sustain traumatic brain injuries are services provided to an eligible individual (as described in subsection (d)) through a State case-management program that meets the requirements of subsection (b).

"(b) REQUIREMENTS FOR STATE CASE-MANAGEMENT PROGRAMS.—

"(1) STATE COORDINATOR.—A State case-management program meets the requirements of this subsection if the State has designated a State coordinator for traumatic brain injuries who—

"(A) establishes policies, standards, and procedures for providing services under this section to eligible individuals,

"(B) contracts with qualified agencies or employs staff to provide services under this section to eligible individuals,

"(C) supervises and coordinates services for eligible individuals,

"(D) makes necessary reports to the Secretary, and

"(E) performs any other duties described in this section.

"(2) CASE-MANAGEMENT SERVICES.—A State case-management program meets the requirements of this subsection if the program provides or arranges for the provision of the following case-management services for eligible individuals:

"(A) An initial assessment of—

"(i) the individual's need for case-management services, and

"(ii) if the individual is an appropriate candidate for receiving case-management services, the individual's need for other services, with an emphasis on identifying community-based services required to prevent institutionalization or minimize the need for residential rehabilitation.

"(B) Preparation of a treatment plan for each individual requiring case-management services based on consultation with the individual (other than an individual who is comatose) and any person named by the individual. Preparation of the plan shall be completed—

"(i) as soon as possible after the individual suffers the injury, but may be delayed (by one or more periods of no more than 15 days each) based on a physician certification that contains a brief explanation of the reason for the delay and attests that such a delay is in the best interests of the individual, or

"(ii) in the case of an individual who, at the time the individual sustains the traumatic brain injury, is not an eligible individual, within 60 days after such individual becomes an eligible individual.

"(C) Presentation of a copy of the initial treatment plan and any subsequent modifications to the plan to the individual or the individual's legal representative.

"(D) Regular updates of each individual's treatment plan (based on consultation with the care provider, the individual, and any person named by the individual) with data and information about treatments and services provided, as well as specific outcome measures of the individual's performance or activity relative to goals previously established.

"(E) Assistance in obtaining services necessary to allow the individual to remain in the community, including coordination of home care services with other services.

"(F) Advocacy services to assist the individual in obtaining appropriate, accessible, and cost-effective services.

"(G) Assessment of the individual's need for and level of home care services at appropriate intervals during the course of the individual's treatment under the program.

"(H) Reassessment of each individual at regular intervals of at least every 3 months to determine the extent of each individual's progress and to ascertain whether the individual—

"(i) is being kept too long in a given setting,

"(ii) is being provided services inappropriately, or

"(iii) would be better served by other services or in another setting.

"(I) In accordance with standards established by the State coordinator, verification that any residential setting or facility which provides services to individuals under the program meets the requirements applicable to nursing facilities under section 1919.

"(J) A complaint procedure, overseen by the State coordinator, regarding any treatment or service provided to an individual which provides that—

"(i) the individual or any person named by the individual may make an oral or written complaint;

"(ii) the individual or any person named by the individual may receive the response to the complaint;

"(iii) the confidentiality of any complainant is maintained;

"(iv) an investigation of the complaint is completed within—

"(I) 30 days for a routine complaint,

"(II) 7 days for a complaint of abuse or neglect, and

"(III) 24 hours if the individual's life or safety is immediately threatened; and

"(v) if the complaint is with respect to a publicly appointed case manager or case worker, substitution of such manager or worker is allowed.

"(3) COORDINATION AND ADMINISTRATION OF BENEFITS AND SERVICES.—A State case-management program meets the requirements of this subsection if the program assists in ensuring that an eligible individual is referred to and applies for other benefits (through cooperative agreements with agencies administering benefit programs) and services for which the individual is eligible under other Federal, State, or local programs, including—

"(A) employment services, including vocational assessment, training, and placement, sheltered employment, and supported employment;

"(B) education benefits, including primary, secondary, and higher education programs;

"(C) services available under the Older Americans Act of 1965;

"(D) disability insurance under title II; and

"(E) independent living services under title VII of the Rehabilitation Act of 1973.

"(c) COORDINATION OF SERVICES.—

"(1) IN GENERAL.—An eligible individual who is receiving case-management services described in subsection (b)(2) may receive the following services under such individual's treatment plan for which the individual is otherwise eligible under a State plan:

"(A) Acute rehabilitation services, focusing on intensive physical and cognitive restorative services in the early months following injury.

"(B) Subacute rehabilitation in either inpatient or outpatient settings.

"(C) Transitional living services to train the individual for more independent living, with an emphasis on compensating for the loss of skills which may not be restored.

"(D) Lifelong living services for individuals discharged from rehabilitation who require ongoing lifetime support.

"(E) Home care, including comprehensive training for family or other informal caregivers.

"(F) Day treatment and other outpatient programs in nonresidential settings.

"(G) Independent living services to allow the individual to live at home with optimal personal control over services.

"(H) Behavior disorder treatment services to address or resolve patterns of behavior which prevent or hinder participation in active rehabilitation.

"(I) Respite and recreation services to aid the individual and members of the individual's family in adapting psychologically and environmentally to residual deficits resulting from brain injury.

"(J) Treatment for conditions related to alcoholism and drug dependency.

"(2) WAIVER OF CERTAIN LIMITATIONS ON THE EXPENDITURE OF FUNDS.—

"(A) IN GENERAL.—In accordance with standards established by the State coordinator, a State case-management program may waive restrictions on the amount, duration, and scope of services otherwise applicable under the State plan for medical assistance under this title to the extent necessary to carry out a treatment plan for an individual.

"(B) HOME CARE SERVICES IN EXCESS OF LIMITATIONS ESTABLISHED BY STATE COORDINATOR.—In accordance with standards established by the State coordinator, a State case-management program may approve the use of funds provided under the State plan for medical assistance under this title to pay for home care services when such home care services exceed limitations established by the State coordinator.

"(C) OUT-OF-STATE PLACEMENTS FOR RESIDENTIAL REHABILITATION SERVICES.—In accordance with standards established by the State coordinator, a State case management program may approve the use of funds provided under the State plan for medical assistance under this title to pay for out-of-State placements for residential rehabilitation services.

"(3) SPECIAL RULE FOR PROVIDERS OF LIVING SERVICES.—No living services described in paragraph (1) may be provided to or on behalf of any individual under this section unless the State case-management program with which the individual is enrolled has entered into an agreement with the entity providing such services that specifies—

"(A) the living services to be provided,

"(B) the period of time over which such services will be provided, and

"(C) the charges to the patient for providing such services.

"(d) ELIGIBILITY OF INDIVIDUALS TO RECEIVE SERVICES.—

"(1) IN GENERAL.—An individual is eligible to receive case-management services under this section if the individual resides in a State that has implemented a case-management program that meets the requirements of this section, is eligible to receive medical assistance under a State plan under this title, has suffered a traumatic brain injury (as defined in paragraph (2)), and is moderately or severely disabled (as defined in paragraph (3)).

"(2) TRAUMATIC BRAIN INJURY DEFINED.—For purposes of this section, the term 'traumatic brain injury' means a sudden insult or damage to the brain or its coverings caused by an external physical force which may produce a diminished or altered state of consciousness, and which results in a temporary or permanent impairment of cognitive or mental abilities or physical functioning, or disturbance of behavioral or emotional functioning. Such term does not include any injuries of a degenerative or congenital nature.

"(3) DEFINITIONS RELATING TO MODERATELY OR SEVERELY DISABLED INDIVIDUALS.—

"(A) IN GENERAL.—For purposes of this section, the term 'moderately or severely disabled' means in the case of an individual 6 years of age or older, an individual who (without regard to income or employment status) is certified under the case-management program as—

"(i) needing substantial assistance or supervision from another individual with at least 2 activities of daily living (as defined in subparagraph (C));

"(ii) needing substantial supervision due to cognitive or other mental impairment and needing substantial assistance or supervision from another individual with at least 1 activity of daily living or in complying with a daily drug regimen; or

"(iii) needing substantial supervision from another individual due to behaviors that are dangerous (to the individual or others), disruptive, or difficult to manage.

"(B) MODERATELY OR SEVERELY DISABLED CHILD.—

"(i) IN GENERAL.—For purposes of this section, the term 'moderately or severely disabled' means, in the case of an individual under 6 years of age, an individual who is certified under the State case management program as suffering from comparable levels of disability which would entitle such individual to benefits under this title.

"(ii) COMPARABLE LEVELS OF DISABILITY.—For purposes of clause (i), the term 'comparable levels of disability' means physical, cognitive, or other mental impairments that limit the ability of an individual who is under 6 years of age to perform activities of daily living appropriate for the age of the individual that are comparable to the physical, cognitive, or other mental impairments that limit the ability of an individual 6 years of age or older such that the individual is described in clause (i), (ii), or (iii) of subparagraph (A).

"(C) ACTIVITY OF DAILY LIVING DEFINED.—The term 'activity of daily living' means any of the following activities:

"(i) Bathing.

"(ii) Dressing.

"(iii) Transferring.

"(iv) Toileting.

"(v) Eating.

"(4) COVERAGE OF INDIVIDUALS UNDER DISABILITY PROTECTIONS.—Individuals receiving services through a State case-management program under this section shall be considered to be individuals with disabilities for purposes of the Americans with Disabilities Act of 1990.

"(e) ADDITIONAL DUTIES OF STATE COORDINATOR.—

"(1) PREVENTION OF TRAUMATIC BRAIN INJURY.—The State coordinator shall establish a program of activities related to preventing and reducing the rate of traumatic brain injuries in the State.

"(2) TRAUMATIC BRAIN INJURY REGISTRY.—

"(A) IN GENERAL.—The State coordinator shall establish and maintain a central registry of individuals who sustain traumatic brain injury using standards established by the Secretary under subsection (f) in order to—

"(i) collect information to facilitate the development of injury prevention, treatment, and rehabilitation programs; and

"(ii) ensure the provision to individuals with traumatic brain injury of information regarding appropriate public or private agencies that provide rehabilitative services so that injured individuals may obtain needed service to alleviate injuries and avoid secondary problems, such as mental illness and chemical dependency.

"(B) DISSEMINATION OF DATA.—The State coordinator shall provide summary registry data to public and private entities to conduct studies using data collected by the traumatic brain injury registry established under subparagraph (A). The State coordinator may charge a fee for all expenses associated with the provision of data or data analysis.

"(3) NOTIFICATION OF INJURIES TO JOB TRAINING PROGRAMS.—Within a reasonable period of time after receiving a report that an individual has sustained a traumatic brain injury or spinal cord injury, the State coordinator shall notify any State agency responsible for employment services and job training and shall forward the individual's name and other identifying information to such agency.

"(4) STANDARDS FOR MARKETING OF BRAIN INJURY SERVICES.—The State coordinator, after consultation with the advisory committee established under paragraph (6), shall—

"(A) monitor standards established by the Secretary regarding the marketing of services (by hospitals and other providers) to any individual who has sustained traumatic brain injury or family members of such individual,

"(B) disseminate such standards to State case-management programs, and

"(C) furnish information about such standards to such individual and such family members at the earliest appropriate opportunity after such individual has sustained the injury.

Such standards shall include (at a minimum) a rule prohibiting payments under a State case-management program under this section for referring individuals to rehabilitation facilities.

"(5) STUDIES.—The State coordinator shall collect injury incidence information (including the prevalence, prevention, and treatment of traumatic brain injury), analyze the information, and conduct special studies regarding traumatic brain injury.

"(6) ESTABLISHMENT OF ADVISORY COMMITTEE.—The State coordinator shall establish an advisory committee (consisting of representatives of professionals who provide community-based services under this section and individuals with traumatic brain injuries and family members of such individuals) to provide recommendations regarding the needs of individuals with traumatic brain injuries, provide advice on activities under paragraph (1), and assist in the establishment of marketing standards under paragraph (4).

"(7) PRIVACY.—Any data identifying specific individuals which is collected by or provided to the State coordinator may be used only for purposes of case-management and rehabilitation and studies by the State coordinator, in accordance with rules adopted by the State coordinator.

"(8) ADOPTION OF STANDARDS FOR REPORTING DATA AND OPERATION OF REGISTRIES.—The State coordinator shall adopt such standards established under subsection (f) as are necessary to carry out this subsection. At a

minimum, the State coordinator shall adopt the standards relating to the matters identified in subparagraphs (A) through (E) of subsection (f)(2).

"(9) ESTABLISHMENT OF REPORTING SYSTEM.—

"(A) IN GENERAL.—The State coordinator shall design and establish a reporting system which requires either the treating hospital, medical facility, or physician to report to the State coordinator within a reasonable period of time after the identification of any individual with ICD diagnostic codes treated for a traumatic brain injury in the State. The consent of the injured individual is not required.

"(B) REPORT.—A report under subparagraph (A) shall include—

"(i) the name, age, and residence of the injured individual;

"(ii) the date and cause of the injury;

"(iii) the initial diagnosis; and

"(iv) other information required by the State coordinator.

"(C) LIABILITY PROTECTION.—The furnishing of information pursuant to the system established under subparagraph (A) shall not subject any individual or facility to any action for damages or other relief, provided that the individual or facility acted in good faith in furnishing the information.

"(f) STANDARDS FOR REPORTING DATA AND OPERATION OF REGISTRIES.—

"(1) IN GENERAL.—Not later than January 1, 1995, the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall establish standards for the reporting of data on traumatic brain injuries and the operation of registries of traumatic brain injuries for use by State coordinators under this section.

"(2) SCOPE.—The standards established under paragraph (1) shall at a minimum provide for—

"(A) the specific International Classification of Diseases, Ninth Revision, Clinical Modification, diagnostic codes (hereafter referred to in this subsection as 'ICD diagnostic codes') included in the definitions of traumatic brain injury;

"(B) the type of data to be reported;

"(C) standards for reporting specific types of data;

"(D) the individuals and facilities required to report and the time period in which reports must be submitted; and

"(E) criteria relating to the use of registry data by public and private entities engaged in research.".

(c) BUDGET NEUTRALITY.—

(1) IN GENERAL.—During the first 12-month period a State provides case-management services to which the amendments made by this section apply, and each 12-month period thereafter, Federal financial participation for all services under a State plan approved under title XIX of the Social Security Act provided to individuals with traumatic brain injuries shall not exceed the base-year amount determined under paragraph (2).

(2) BASE-YEAR AMOUNT.—

(A) FIRST YEAR.—The base-year amount for the first 12-month period to which paragraph (1) applies shall be equal to the sum of—

(i) the amount of Federal financial participation attributable to all services provided to individuals with traumatic brain injuries under a State plan in the 12-month period prior to the inclusion of case-management services in the State plan, as certified by the Secretary, plus

(ii) such amount multiplied by the estimated percentage increase in the Consumer Price Index for All-Urban Consumers for the preceding 12-month period, with appropriate adjustments to reflect previous underestimations or overestimations under this clause.

(B) OTHER YEARS.—The base-year amount for any other 12-month period shall be equal to the sum of—

(i) the base-year amount for the preceding 12-month period, plus

(ii) such amount multiplied by the estimated percentage increase in the Consumer Price Index for All-Urban Consumers for the preceding 12-month period, with appropriate adjustments to reflect previous underestimations or overestimations under this clause.

(d) CONFORMING AMENDMENT.—Section 1915(g)(2) of the Social Security Act (42 U.S.C. 1396n(g)(2)) is amended by striking the period at the end and inserting the following: ", but does not include any services provided under section 1931.".

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for each fiscal year beginning with fiscal year 1995 to carry out paragraphs (1) and (2) of section 1931(e) of the Social Security Act (as added by subsection (b)).

(f) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (d) shall apply to calendar quarters beginning on or after January 1, 1995.

SEC. 3. STUDY OF EFFECTIVENESS OF TRAUMATIC BRAIN INJURY INTERVENTIONS.

(a) STUDY.—The Administrator of the Agency for Health Care Policy and Research shall conduct a study to identify common therapeutic interventions which are used for the rehabilitation of traumatic brain injury patients, and shall include in the study an analysis of—

(1) the effectiveness of each such intervention in improving the functioning of traumatic brain injury patients; and

(2) the comparative effectiveness of interventions employed in the course of rehabilitation of traumatic brain injury patients to achieve the same or similar clinical outcome.

(b) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Administrator of the Agency for Health Care Policy and Research shall submit a report on the study conducted under subsection (a) to the Congress.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $2,000,000 for each of fiscal years 1994 through 1997 to carry out the purposes of this section.

• Mr. DURENBERGER. Mr. President, I am pleased to join my distinguished colleague from West Virginia, JAY ROCKEFELLER, in again sponsoring legislation to improve the care provided under Medicaid to people who have sustained a traumatic brain injury.

Perhaps our best-known brain-injured citizen is former White House Press Secretary Jim Brady, who almost died in the 1981 attempt on President Reagan's life. But every day thousands of Americans sustain such an injury. A car hits a telephone pole, a child falls down a flight of stairs, a woman is brutally attacked—and someone's life changes instantly. Over 500,000 people a year are hospitalized with brain injuries; about 80,000 of them are permanently disabled. Many thousands more must undergo months of recovery.

People with brain injuries like to call themselves survivors. It's an apt word. Often, the initial trauma results in physical and mental problems that persist for months, years, or decades. Often, as Jim Brady has had to do, the survivor must undergo years of physical therapy to regain some control over their own body. Brain injuries also can cause changes in personality, in emotions, and in one's ability to handle what previously had been the simplest intellectual tasks.

Since the injuries result in both physical and mental changes, care provided to survivors is complex and costly, averaging $100,000 to $350,000 a year for people with moderate to severe injuries. Many survivors are teenagers or young adults when injured; their bills will mount, year after year. People exhaust their insurance coverage—if they have it—and then are forced onto Medicaid.

Far too often, the health-care delivery system doesn't really know how to treat the brain-injured. They have physical needs, but they also can have intellectual impairment and hard-to-manage behaviors. The result is that survivors are inappropriately housed with the mentally ill in psychiatric wards, with senior citizens in nursing homes or with the developmentally disabled in State institutions. They can even end up in jail. Such institutionalization is not only poor treatment; it also is extremely costly.

Mr. President, this bill will improve the productivity of our system and the quality of care our society provides to survivors of brain injuries in several ways:

First, it establishes a central registry of traumatic brain injuries, with the Centers for Disease Control, along with setting national standards for reporting data. We must learn more about the causes, characteristics and prevalence of traumatic brain injury in order to provide better and more efficient care for survivors.

Second, it requires action to prevent traumatic brain injury and mandates research by the Federal Government into the most effective ways to help these people recover from their injuries.

Third and most important, it allows state Medicaid programs to set up case-management systems in which coordinators may authorize exceptions to Medicaid rules on a case-by-case basis so that the survivor may receive the most appropriate care.

Case managers will guide the patient through the maze of institutional arrangements, rehabilitation programs, transitional living programs, home care, adult day care and so forth. They also will help their patients use other government programs, such as job training and social services.

There is an important restriction, though: these State case management

systems may not spend more money in total than is now being spent on these patients.

A pilot program in Minnesota has had no trouble achieving this goal; just reducing inappropriate institutionalization has generated net savings of about $1.4 million a year.

In a typical case in Minnesota, a brain-injured patient was in an acute-care psychiatric ward at a cost of $300 a day. The program arranged the patient's transfer to a skilled nursing facility, saving $23,700 over a 92-day stay and providing the patient with more appropriate care.

In another case, a patient was about to be placed in a skilled nursing facility at a cost of $1,540 a month. Instead, the program arranged for the patient to remain at home with visits from a personal care attendant and a psychologist, resulting in savings of $1,300 a month.

By paying attention to these individual cases, the Minnesota program also has reduced the numbers of patients placed in out-of-State institutions, a particularly troublesome problem in some States. These institutions can have a very high cost, yet in many States the Medicaid Program does little more than pay the bill.

Mr. President, this bill would result in both wiser use of Medicaid dollars and in better care for the patient. It is one way, and an important way, in which we can improve the productivity of the health care delivery system by doing more without spending more.●

By Mr. PELL (by request):

S. 1099. A bill to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1994 and 1995, and for other purposes; to the Committee on Foreign Relations.

AUTHORIZATION OF APPROPRIATIONS FOR THE DEPARTMENT OF STATE

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1994 and 1995, and for other purposes.

This proposed legislation has been requested by the Department of State, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD, with the section-by-section analysis and the letter from the Assistant Secretary of State for Legislative Affairs, which was received on June 3, 1993.

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

S. 1099

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—THE DEPARTMENT OF STATE

PART A—AUTHORIZATION OF APPROPRIATIONS: ALLOCATIONS OF FUNDS: RESTRICTIONS

Sec. 101. Administration of foreign affairs.
Sec. 102. International organizations and conferences.
Sec. 103. International commissions.
Sec. 104. Migration and refugee assistance.
Sec. 105. Other programs.
Sec. 106. Prohibition on discriminatory contracts.

PART B—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

Sec. 111. Emergencies in the Diplomatic and Consular Service.
Sec. 112. Transfers and reprogrammings.
Sec. 113. Expenses relating to certain international claims and proceedings.
Sec. 114. Childcare facilities at certain posts abroad.
Sec. 115. Technical correction.
Sec. 116. Role of the Foreign Service Institute.
Sec. 117. Reporting requirement on American prisoners abroad.
Sec. 118. Persons authorized to issue passports abroad.
Sec. 119. Notarial authority.
Sec. 120. Consolidation of reports on visa denials.
Sec. 121. Grants for environmental activities.
Sec. 122–130. Reserved.

PART C—DIPLOMATIC RECIPROCITY AND SECURITY

Sec. 132. Relocation of participants in rewards program.

PART D—PERSONNEL

Sec. 141. Retirement eligibility for certain employees of international organizations.
Sec. 142. Waiver of limit for certain claims for personal property damage or loss.
Sec. 143. Salaries of chiefs of mission.
Sec. 144. Administration of Senior Foreign Service performance pay.
Sec. 145. Amendments to title 5.
Sec. 146. Reassignment and retirement of former Presidential appointees.
Sec. 147. Amendments to chapter 11 of the Foreign Service Act.

PART E—INTERNATIONAL ORGANIZATIONS

Sec. 151. Agreement on State and local taxation of foreign employees of public international organizations.
Sec. 152. Reform in budget decision-making procedures of the United Nations and its specialized agencies.
Sec. 153. International Boundary and Water Commission.
Sec. 154. United States membership in the Asian-Pacific Economic Cooperation Organization.

PART F—MISCELLANEOUS PROVISIONS

Sec. 161. Publishing international agreements.
Sec. 162. Migration and refugee amendments.

TITLE II—DEPARTMENT OF STATE ORGANIZATION

Sec. 201. Organizing principles.
Sec. 202. Under Secretary and Assistant Secretary positions.
Sec. 203. Envoy to the Afghan Resistance.
Sec. 204. Burdensharing.
Sec. 205. Coordinator for International Communications and Information Policy.
Sec. 206. Refugee affairs.
Sec. 207. Office of Foreign Missions.
Sec. 208. Director General of the Foreign Service.

TITLE III—TORTURE AND TERRORISM OFFENSES AND SANCTIONS

Sec. 301. Implementation of the 1988 Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation.
Sec. 302. Amendment to Federal Aviation Act.
Sec. 303. Offenses of violence against maritime navigation or fixed platforms.
Sec. 304. Torture convention implementation.
Sec. 305. Providing material support to terrorists.
Sec. 306. Extension of the statute of limitations for certain terrorism offenses.

TITLE I—DEPARTMENT OF STATE

PART A—AUTHORIZATION OF APPROPRIATIONS

SEC. 101. ADMINISTRATION OF FOREIGN AFFAIRS.

The following are authorized to be appropriated for the Department of State under "Administration of Foreign Affairs" to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law, including the diplomatic security program:

(1) SALARIES AND EXPENSES.—For "Salaries and Expenses", of the Department of State $2,174,000,000 for the fiscal year 1994 and $2,191,854,000 for the fiscal year 1995.

(2) ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD.—For "Acquisition and Maintenance of Buildings Abroad", $420,000,000 for the fiscal year 1994 and $432,119,000 for the fiscal year 1995.

(3) REPRESENTATION ALLOWANCES.—For "Representation Allowances", $4,881,000 for the fiscal year 1994 and $4,853,000 for the fiscal year 1995.

(4) EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE.—For "Emergencies in the Diplomatic and Consular Service, $8,000,000 for the fiscal year 1994 and $8,208,000 for the fiscal year 1995.

(5) OFFICE OF THE INSPECTOR GENERAL.—For "Office of the Inspector General", $24,055,000 for the fiscal year 1994 and $24,834,000 for the fiscal year 1995.

(6) PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN.—For "Payment to the American Institute in Taiwan", $15,484,000 for the fiscal year 1994 and $15,395,000 for the fiscal year 1995.

(7) PROTECTION OF FOREIGN MISSIONS AND OFFICIALS.—For "Protection of Foreign Missions and Officials", $10,814,000 for the fiscal

year 1994 and $11,095,000 for the fiscal year 1995.

(8) REPATRIATION LOANS.—For "Repatriation Loans", $193,000 for the fiscal year 1994 and $198,000 for the fiscal year 1995, for administrative expenses.

SEC. 102. INTERNATIONAL ORGANIZATIONS AND CONFERENCES.

(a) ASSESSED CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.—There are authorized to be appropriated for "Contributions to International Organizations", $865,885,000 for the fiscal year 1994 and $1,000,053,000 for the fiscal year 1995 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international organizations and to carry out other authorities in law consistent with such purposes.

(b) CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES.—There are authorized to be appropriated for "Contributions for International Peacekeeping Activities", $597,744,000 for the fiscal year 1994 and $478,000,000 for the fiscal year 1995 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international peacekeeping activities and the carry out other authorities in law consistent with such purposes.

(c) INTERNATIONAL CONFERENCES AND CONTINGENCIES.—In addition to funds otherwise authorized to be appropriated for these purposes, there are authorized to be appropriated for "International Conferences and Contingencies", $6,600,000 for the fiscal year 1994 and $6,743,000 for the fiscal year 1995 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international conferences and contingencies and to carry out other authorities in law consistent with such purposes.

SEC. 103. INTERNATIONAL COMMISSIONS.

The following amounts are authorized to be appropriated under "International Commissions" for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO.—For "International Boundary and Water Commission, United States and Mexico"—

(A) for "Salaries and Expenses" for the fiscal year 1994, $11,330,000, and for the fiscal year 1995, $11,767,000; and

(B) for "Construction" for the fiscal year 1994 $14,790,000, and for the fiscal year 1995, $15,198,000.

(2) INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA.—For "International Boundary Commission, United States and Canada", $760,000 for the fiscal year 1994 and $784,000 for the fiscal year 1995.

(3) INTERNATIONAL JOINT COMMISSION.—For "International Joint Commission", $3,643,000 for the fiscal year 1994 and $3,759,000 for the fiscal year 1995.

(4) INTERNATIONAL FISHERIES COMMISSIONS.—For "International Fisheries Commission", $14,200,000 for the fiscal year 1994 and $14,569,000 for the fiscal year 1995.

SEC. 104. MIGRATION AND REFUGEE ASSISTANCE.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for "Migration and Refugee Assistance" for authorized activities, $640,688,000 for the fiscal year 1994 and $640,688,000 for the fiscal year 1995.

(b) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to subsection (a) are authorized to be available until expended.

SEC. 105. OTHER PROGRAMS.

The following amounts are authorized to be appropriated for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS.—For "United States Bilateral Science and Technology Agreements", $4,500,000 for the fiscal year 1994 and $4,617,000 for the fiscal year 1995.

(2) ASIA FOUNDATION.—For "Asia Foundation", $16,693,000 for the fiscal year 1994 and $17,127,000 for the fiscal year 1995.

SEC. 106. PROHIBITION ON DISCRIMINATORY CONTRACTS.

(a) PROHIBITION.—Except as provided in subsection (b), none of the funds authorized to be appropriated in this Act may be obligated or expended by the Department of State for contracts with any foreign or United States firm that complies with the Arab League Boycott of the State of Israel or with any foreign or United States firm that discriminates in the award of subcontracts on the basis of religion.

(b) EXCEPTION.—The Secretary of State may waive this provision on a country-by-country basis upon certification to the Congress by the Secretary that such waiver is in the national interest and is necessary to carry on the diplomatic functions of the Untied States.

PART B—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

SEC. 111. EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE.

Section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671) is amended in subsection (c)—

(1) by striking "and the Foreign Service"; and

(2) by striking "confidential".

SEC. 112. TRANSFERS AND REPROGRAMMINGS.

(a) AMENDMENTS TO SECTION 24 OF THE STATE DEPARTMENT BASIC AUTHORITIES ACT.—Section 24 of the State Department Basic Authorities Act (22 U.S.C. 2696) is amended—

(1) in subsection (b)(7) by striking paragraph (E);

(2) in subsection (d)(1) by striking ", for the second fiscal year of any two-year authorization cycle may be appropriated for such second fiscal year" and inserting in its place "for a given fiscal year may be appropriated for such year";

(3) in subsection (d)(2) by striking "5 percent" and "10 percent" and inserting in their places "10 percent" and "35 percent" respectively;

(4) by striking subsection (d)(4);

(5) by inserting the following new subsection (f):

"(f)(1) Subject to paragraphs (2), (3), and (4), funds appropriated for the Department of State in the Department of State Appropriations Act for any fiscal year may be transferred to any other appropriations account.

"(2) Neither the "Salaries and Expenses" account nor the "Acquisition and Maintenance of Buildings Abroad" account may be increased by a transfer under this subsection by more than 10 percent of the amount specifically appropriated for each account. No other appropriations account may be increased by a transfer under this subsection by more than 35 percent of the amount specifically appropriated for such account, except that this limitation shall not apply to transfers to the "Emergencies in the Consular and Diplomatic Service" appropriation necessary for evacuations.

"(3) Any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 34 and shall be available for obligation or expenditure only in accordance with the requirements of that section, except that the 15-day period under that section shall apply only insofar as consistent with the emergency nature of the situation in cases where the safety of human life is involved. Notification required in section 34 shall also be provided to the Appropriations Committees of both Houses of Congress.

(b) DIPLOMATIC CONSTRUCTION PROGRAM.—Section 401 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851) is amended—

(1) by striking subsections (c) and (h)(3); and

(2) by renumbering subsections (d) through (h) as (c) through (g) respectively.

(c) AMENDMENT TO SECTION 34 OF THE STATE DEPARTMENT BASIC AUTHORITIES ACT.—Section 34 of the State Department Basic Authorities Act (22 U.S.C. 2706) is amended by adding the following new subsection (c):

"(c) In an emergency situation, the 15-day period under subsection (a) and the requirements of subsection (b) shall apply only insofar as consistent with the emergency nature of the situation in cases where the safety of human life is involved."

SEC. 113. EXPENSES RELATING TO CERTAIN INTERNATIONAL CLAIMS AND PROCEEDINGS.

Section 38 of the State Department Basic Authorities Act is amended by adding the following new subsections (c) and (d) at the end:

"(c) PROCUREMENT OF SERVICES.—The Secretary of State may use competitive procedures or procedures other than competitive procedures to procure the services of experts for use in preparing or prosecuting a proceeding before an international tribunal or a claim by or against a foreign government or other foreign entity, whether or not the expert is expected to testify, or to procure other support services for such proceedings or claims. The Secretary need not provide any written justification for the use of procedures other than competitive procedures when procuring such services under this chapter and need not furnish for publication in the Commerce Business Daily or otherwise any notice of solicitation or synopsis with respect to such procurement.

"(d) INTERNATIONAL LITIGATION FUND.—(1) ESTABLISHMENT.—In order to provide the Department of State with a dependable, flexible and adequate source of funding for its expenses related to preparing or prosecuting a proceeding before an international tribunal, or a claim by or against a foreign government or other foreign entity, there is established an International Litigation Fund (ILF). The ILF shall be available without fiscal year limitation. Funds otherwise available for such purposes may be credited to the ILF.

"(2) REPROGRAMMING PROCEDURES.—Except for the transfers of funds authorized in paragraph (3), funds credited to the ILF shall be treated as a reprogramming of funds under section 34 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706) and shall not be available for obligation or expenditure except in compliance with the procedures applicable to such reprogramming.

"(3) TRANSFERS OF FUNDS.—Funds received by the Department of State from another agency of the United States government or pursuant to the second paragraph of 22 U.S.C. 2661 to meet costs of preparing or prosecuting a proceeding before an international tribunal, or a claim by or against a foreign government or other foreign entity, shall be credited to the ILF.

"(4) USE OF FUNDS.—Funds deposited in the ILF shall be available only for the purposes set forth in paragraph (1).".

SEC. 114. CHILDCARE FACILITIES AT CERTAIN POSTS ABROAD.

Section 31 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2703) is amended in subsection (e) by striking "for the fiscal years 1992 and 1993,".

SEC. 115. TECHNICAL CORRECTION.

Section 2 of the State Department Basic Authorities Act of 1956 is amended by striking "(1)" from subparagraph which reads:

"(1) pay obligations arising under international agreements, conventions, and binational contracts to the extent otherwise authorized by law."

and replacing it with "(m)".

SEC. 116. ROLE OF THE FOREIGN SERVICE INSTITUTE.

Section 701 of the Foreign Service Act of 1980 (22 U.S.C. 4021) is amended by adding at the end the following new subsection:

"(d) Special professional foreign affairs training and instruction may be provided at the Institute for employees of foreign governments on a reimbursable basis. Reimbursement may come from a foreign government or another United States government agency for such training and instruction. All of the authorities of section 704 are applicable to training provided under this section. Training should be made available in the first instance to persons from newly emerging democratic nations, and then for other nations as deemed to be in the United States national interest."

SEC. 117. REPORTING REQUIREMENT ON AMERICAN PRISONERS ABROAD.

Section 108 of the Foreign Relations Authorization Act, Fiscal Year 1978 (P.L. 95-105) is repealed.

SEC. 118. PERSONS AUTHORIZED TO ISSUE PASSPORTS ABROAD.

Section 211a of title 22 of the United States Code (44 Stat. 887) is amended by striking "by diplomatic representatives of the United States, and by such consul generals, consuls, or vice consuls when in charge," and inserting in its place "by diplomatic and consular officers of the United States, and by such other employees of the Department of State who are citizens of the United States,".

SEC. 119. NOTARIAL AUTHORITY.

Section 4221 of title 22 of the United States Code is amended in the first sentence to insert after "consular officer", ", and any other employee of the Department of State who is a citizen of the United States as the Secretary of State may designate pursuant to regulation,".

SEC. 120. CONSOLIDATION OF REPORTING REQUIREMENTS ON VISA DENIALS.

(a) BASIC AUTHORITIES ACT.—Section 51 of the State Department Basic Authorities Act (section 127(a) of P.L. 102-138) is repealed.

(b) IMMIGRATION AND NATURALIZATION ACT.—Section 212(a)(3)(C)(iv) of the Immigration and Naturalization Act (8 U.S.C. 1182(a)(3)(C)(iv) is deleted in its entirety and replaced with the following:

"(iv) REPORTS TO CONGRESS.—The Secretary of State shall report, on a timely basis, to the chairmen of the Committees on the Judiciary and Foreign Affairs of the House of Representatives and of the Committees on the Judiciary and Foreign Relations of the Senate each time a consular post denies a visa under clause (i) or clause (iii). Such report shall set forth the name and nationality of the alien who was denied a visa and the factual basis and reasons for such denial, including the reasons for any determination under clause (iii).".

SEC. 121. GRANTS FOR ENVIRONMENTAL ACTIVITIES.

Section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669) is amended by adding a new subsection (n) as follows:

"(n) make grants, contracts, and otherwise support activities to conduct research and promote international cooperation on environmental and other scientific issues.".

PART C—DIPLOMATIC RECIPROCITY AND SECURITY

SEC. 131. RELOCATION OF PARTICIPANTS IN REWARDS PROGRAMS.

Section 36 of the State Department Basic Authorities Act (22 U.S.C. 2708) is amended in subsection (e)—

(1) by inserting "(1)" immediately following "(e)"; and

(2) by adding the following new paragraph at the end:

"(2)(A) Whenever the information which would justify a reward under subsection (a) is furnished by an alien and the Secretary of State and the Attorney General jointly determine that the safety of such alien or members of the alien's immediate family requires the admission of such alien or aliens to the United States, then such alien, and the members of the alien's immediate family, if necessary, may be admitted to the United States for permanent residence, without regard to the requirements of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

"(B) The total number of aliens admitted to the United States under subparagraph (A) shall not exceed 25 in any one fiscal year.".

PART D—PERSONNEL

SEC. 141. RETIREMENT ELIGIBILITY FOR FEDERAL EMPLOYEES TRANSFERRED TO INTERNATIONAL ORGANIZATIONS.

(a) AMENDMENT TO THE FEDERAL INSURANCE CONTRIBUTIONS ACT.—Section 3121 of title 26, United States Code, is amended by adding the following new subsection at the end:

"(y) For purposes of this chapter, notwithstanding the provisions of paragraph (b)(15) of this section, service performed in the employ of an international organization by an employee of the United States who is transferred to such organization shall constitute employment in the employ of the United States, if for purposes of section 3582 of title 5, United States Code, such employment will enable an individual who is entitled to the coverage, rights, and benefits of subsection (a)(1) of section 3582 to retain such coverage, rights, and benefits during the individual's period of transferred service with the international organization.".

(b) AMENDMENT TO SELF-EMPLOYMENT INCOME TAX PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986.—Section 1402(c)(2)(C) of title 26, United States Code, is amended to read as follows:

"(C) service described in section 3121(b)(11), (12), or (15) performed in the United States (as defined in section 3121(e)(2)) by a citizen of the United States, except for services described in 3121(y) that constitute employment in the employ of the United States,".

(c) CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.—

(1) Section 210 of the Social Security Act (42 U.S.C. 410) is amended by adding the following new subsection at the end:

"(r) Federal Employees Transferred to International Organizations. For purposes of this title, notwithstanding the provisions of paragraph (a)(15) of this section, service performed in the employ of an international organization by an employee of the United States who is transferred to such organization shall constitute employment in the employ of the United States if, for purposes of section 3582 of title 5, United States Code, such employment will enable an individual who is entitled to the coverage, rights, and benefits of subsection (a)(1) of section 3582 to retain such coverage, rights, and benefits during the individual's period of transferred service with the international organization.".

(2) Section 211(c)(2)(C) of the Social Security Act (42 U.S.C. 411(c)(2)(C)) is amended by adding at the end "except for service described in section 210(r) of this title that constitutes employment in the employ of the United States,".

SEC. 142. WAIVER OF LIMIT FOR CERTAIN CLAIMS FOR PERSONAL PROPERTY DAMAGE OR LOSS.

Subsection 3721(b) of title 31 of the United States Code is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding after paragraph (1) the following new paragraph:

"(2) Upon a determination by the Secretary of State that exceptional circumstances exist, he or she may waive the dollar limit imposed under paragraph (1), to the extent warranted by the exceptional circumstances, but not to exceed $85,000, for claims by United States Government personnel subject to a chief of mission in a foreign country for damage or loss caused by a natural disaster or in circumstances where there is in effect a departure authorized or ordered from that country under subsection 5522(a) of title 5 of the United States Code. With respect to such claims by persons under the command of a United States area military commander, the Secretary of Defense may grant such a waiver.".

(3) The amendments made by paragraph (2) shall be deemed to have become effective as of October 31, 1988, the date of enactment of P.L. 100-565.

SEC. 143. SALARIES OF CHIEFS OF MISSION.

Section 401(a) of the Foreign Service Act of 1980 (22 U.S.C. 3961(a) is amended—

(1) by striking, ", exclusive of danger pay,"; and

(2) by striking "not exceed the annual rate payable for level I of such Executive Schedule", and inserting in its place "be subject to the limitation on certain payments under section 5307 of title 5 of the United States Code".

SEC. 144. ADMINISTRATION OF SENIOR FOREIGN SERVICE PERFORMANCE PAY.

Section 405(b)(4) of the Foreign Service Act of 1980 (22 U.S.C. 3965(b)(4)) is amended to read as follows:

"(4) Any award under this section shall be subject to the limitation on certain payments under section 5307 of title 5 of the United States Code.".

SEC. 145. AMENDMENTS TO TITLE 5.

(a) AWAY-FROM-POST EDUCATION ALLOWANCE.—Section 5924(4)(A) of title V, United States Code, is amended by inserting the following new sentence after "title 31.": "When travel from school to post is infeasible, travel may be allowed from the school attended to visit a designated relative or family friend or to join parents at any location, with the

allowable travel expense not to exceed the cost of travel between the school and post.".

(b) EDUCATIONAL TRAVEL FOR COLLEGE STUDENTS STUDYING ABROAD.—Section 5924(4)(B) of title 5, United States Code, is amended in the first sentence by inserting after "in the United States", "(or to and from a school outside the United States if the dependent is attending that school for less than one year under a program approved by the school in the United States in which the dependent is enrolled)".

SEC. 146. REASSIGNMENT AND RETIREMENT OF FORMER PRESIDENTIAL APPOINTEES.

Section 813 of the Foreign Service Act of 1980 (22 U.S.C. 4053), as amended, is further amended by striking all of section 813 and inserting in its place the following:

"(a) If a participant completes an assignment under section 302(b) in a position to which he or she was appointed by the President, and if that individual is not otherwise eligible for retirement, the participant shall be reassigned within 90 days after the termination of such assignment and any period of authorized leave.

"(b) If a participant completes an assignment under section 302(b) in a position to which he or she was appointed by the President, and if that individual is eligible for retirement and is not reassigned within 90 days after the termination of such assignment and any period of authorized leave, the participant shall be retired from the Service and receive retirement benefits in accordance with section 806 or 855, as appropriate.".

SEC. 147. AMENDMENTS TO CHAPTER 11 OF THE FOREIGN SERVICE ACT.

(a) GRIEVANCE BOARD PROCEDURES.—Section 1106 of the Foreign Service Act of 1980 (22 U.S.C. 4136) is amended—

(1) in subsection (1)(A) by inserting "consisting of a suspension of 14 days or more" after "disciplinary action"; and

(2) in subsection (8), by striking "until the Board has ruled upon the grievance." and inserting in its place "for up to one year, or until the Board has ruled upon the grievance, whichever period is shorter. The Board may extend the one-year limit if it determines that the agency or the Board is responsible for delaying the resolution of the grievance.".

(b) GRIEVANCE BOARD RECOMMENDATIONS.—Section 1107 of the Foreign Service Act of 1980 (22 U.S.C. 4137) is amended by redesignating subsections (e) through (f) as (f) through (g) and adding the following new subsection after subsection (d):

"(e) Subsections (b) and (d) are applicable only in cases where the Board finds that a grievance is meritorious. If the Board does not find that the grievance is meritorious, but concludes that reformative action would be in the interest of the Department and the Service, it may so advise the Department but shall not direct the Department to take such action.".

(c) TIME LIMITATION ON REQUESTS FOR JUDICIAL REVIEW.—Section 1110 of the Foreign Service Act of 1980 (22 U.S.C. 4140) is amended by inserting before the period at the end of the first sentence ", provided that the request for judicial review is filed within 180 days of the final action of the Secretary or the Board".

PART E—INTERNATIONAL ORGANIZATIONS

SEC. 151. AGREEMENT ON STATE AND LOCAL TAXATION OF FOREIGN EMPLOYEES OF PUBLIC INTERNATIONAL ORGANIZATIONS.

The President is hereby authorized to bring into force for the United States the Agreement on State and Local Taxation of Foreign Employees of Public International Organizations, which was signed by the United States on April 21, 1992.

SEC. 152. REFORM IN BUDGET DECISIONMAKING PROCEDURES OF THE UNITED NATIONS AND ITS SPECIALIZED AGENCIES.

(a) ASSESSED CONTRIBUTIONS.—For assessed contributions authorized to be appropriated by section 102 of this Act, the President may withhold 20 percent of the funds appropriated for the United States assessed contribution to the United Nations or to any of its specialized agencies for any calendar year if the Secretary of State determines that the United Nations or any such agency has failed to implement or to continue to implement consensus-based decision making procedures on budgetary matters which assure that sufficient attention is paid to the views of the United States and other member states who are major financial contributors to such assessed budgets.

(b) CONTRIBUTIONS FOR PRIOR YEARS.—Subject to the availability of appropriations, payment of assessed contributions for prior years may be made to the United Nations or any of its specialized agencies notwithstanding subsection (a) of this section, section 405 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (P.L. 101-246) and section 143 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (P.L. 99-93) if the Secretary of State determines that such payment would further United States interests in that organization.

SEC. 153. INTERNATIONAL BOUNDARY AND WATER COMMISSION.

(a) AUTHORIZATION TO RECEIVE PAYMENTS.—Section 2 of Public Law 88-300 (22 U.S.C. 277d-18) is amended—

(1) by adding at the end of the section heading the following: "; use of payments received";

(2) by inserting "(a)" before "The United States Commissioner";

(3) by striking the period at the end and inserting ";"

(4) by adding the following new subsections at the end:

"(b) The United States Commissioner is further authorized to receive payments of money from public or private sources in the United States or the United Mexican States made for the purpose of sharing in the cost of replacement of the Bridge of the Americas which crosses the Rio Grande between El Paso, Texas and Cd. Juarez, Chihuahua. All such moneys shall, notwithstanding any other provision of law, be credited to any appropriation to the Commission which is currently available. Such funds shall be available only for the replacement of the said Bridge.

"(c) The authority of subsection (b) may be exercised only to such extent or in such amounts as are provided in advance in an appropriation Act.".

(b) EXPENDITURES FOR WATER POLLUTION PROBLEMS.—Title I of the Act of June 20, 1956 (70 Stat. 302, 22 U.S.C. 277d-12), as amended, is amended in the fourth undesignated paragraph under the heading "INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO" by striking everything after "Tijuana Rivers," and inserting in its place "or other streams running across or near the boundary, and for taking emergency actions to protest against health threatening surface and ground water pollution problems along the United States-Mexico boundary.".

(c) FALCON AND AMISTAD DAMS MAINTENANCE FUND.

Section 2 of the Act of June 18, 1954 (68 Stat. 255, as amended by the Act of December 23, 1963, 77 Stat. 475) is amended to read as follows:

"Sec. 2. (a) A separate fund, known as the Falcon and Amistad Operating and Maintenance Fund (hereinafter referred to as the Maintenance Fund), shall be created in the Treasury of the United States. The Maintenance Fund shall be administered by the Administrator of the Western Area Power Administration for use by the Commissioner of the United States Section of the International Boundary and Water Commission to defray operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams.

"(b) Notwithstanding any other law, and subject to subsection (d), revenues collected in connection with the disposition of electric power generated at the Falcon and Amistad Dams shall be credited to the Maintenance Fund and shall be available only for defraying operation, maintenance, and emergency costs for the hydroelectric facilities at the dams.

"(c) The authority of subsection (b) may be exercised only to such extent or in such amounts as are provided in advance in an appropriation Act.

"(d) All moneys received from the Government of Mexico for any energy which might be delivered to that Government by the United States Section of the International Boundary and Water Commission pursuant to any special agreement concluded in accordance with article 19 of the said treaty shall be credited to the general fund of the Treasury of the United States.".

SEC. 154. UNITED STATES MEMBERSHIP IN THE ASIAN-PACIFIC ECONOMIC COOPERATION ORGANIZATION.

(a) UNITED STATES MEMBERSHIP.—The President is authorized to maintain membership of the United States in the Asian-Pacific Economic Cooperation (APEC).

(b) PAYMENT OF ASSESSED CONTRIBUTIONS.—For fiscal year 1994 and for each fiscal year thereafter, the United States assessed contributions to APEC may be paid from funds appropriated for "Contributions to International Organizations".

PART F—MISCELLANEOUS PROVISIONS

SEC. 161. PUBLISHING INTERNATIONAL AGREEMENTS.

Section 112a of title 1 of the United States Code is amended—

(1) by inserting "(a)" immediately before "The Secretary of State"; and

(2) by adding at the end thereof the following new subsections:

"(b) The Secretary of State may determine that publication of certain categories of agreements is not required, provided that the following criteria are met:

"(1) such agreements are not treaties which have been brought into force for the United States after having received Senate advice and consent pursuant to section 2(2) of Article II of the Constitution of the United States;

"(2) the public interest in such agreements is insufficient to justify their publication, in that (i) as of the date of enactment of this legislation, the agreements are no longer in force, (ii) the agreements do not create private rights of duties, nor establish standards intended to govern government action in the treatment of private individuals; (iii) in view of the limited or specialized nature of the public interest in such agreements, such interest can adequately be satisfied by an alternative means; or (iv) the public disclosure of the text of the agreement would, in the

opinion of the President, be prejudicial to the national security of the United States; and

"(3) copies of such agreements (other than those in subsection (2)(b)(iv)), including certified copies where necessary for litigation or similar purposes, can be made available by the Department of State upon reasonable request.

"(c) Any determination pursuant to subsection (b) shall be published in the Federal Register.".

SEC. 162. MIGRATION AND REFUGEE AMENDMENTS.

(a) The Migration and Refugee Assistance Act of 1962 (P.L. 87-510) is amended—

(1) in section 2(a) and 2(b)(1) by replacing "the Intergovernmental Committee for European Migration" with "the International Organization for Migration", and "the Committee" with "the Organization", and in section 2(a) by adding, after "October 19, 1953" the phrase ", as amended in Geneva, Switzerland, on May 20, 1987";

(2) in section 2(c)(2) by striking "$50,000,000" and inserting in its place "$80,000,000"; and

(3) in section 3(a) by adding a new subsection (3) as follows: "(3) to retain the proceeds derived from the disposition of properties acquired pursuant to this Act, which proceeds shall be credited to the Migration and Refugees Assistance Account (or any successor account), and shall be available for obligation or expenditure without fiscal year limitations.".

(b) Section 745 of Public Law 100-204 is repealed.

TITLE II—DEPARTMENT OF STATE ORGANIZATION

SEC. 201. ORGANIZING PRINCIPLES.

(a) FINDINGS.—The Congress finds that—

(1) The organization of the Department of State should, to the maximum extent possible, reflect the primary responsibility of the Secretary of State under the President for the conduct of the Nation's foreign relations; and

(2) As a consequence, unless compelling considerations so require, statutory authorities should be vested in the Secretary, rather than in officials subordinate to him.

(b) REPROGRAMMING.—In recognition of the appropriate oversight role of the Congress, the Department of State shall notify the Congress, in accordance with relevant reprogramming procedures, of its intention to abolish or create units at the bureau level or above.

(c) SAVINGS CLAUSE. Existing statutes and regulations with respect to organizations and officials whose status is modified in this title shall remain in effect until Executive Orders, regulations, and Departmental directives necessary to implement this Title have become effective.

SEC. 202. UNDER SECRETARY AND ASSISTANT SECRETARY POSITIONS.

(a) NUMBER AND NAMES OF UNDER SECRETARIES AND ASSISTANT SECRETARIES.—Section 1 of the Act of May 26, 1949, as amended, (22 U.S.C. 2652) is further amended—

(1) in the title by striking everything after "Deputy Secretary of State;" and inserting in its place "Under Secretaries of State; Assistant Secretaries of State."; and

(2) in the text by striking everything after "Deputy Secretary of State," and inserting in its place "up to five Under Secretaries of State and up to twenty four Assistant Secretaries of State.".

(b) CONFORMING AMENDMENTS.

(1) Section 115(a) of the Foreign Relations Authorization Act, Fiscal Year 1979 (22 U.S.C. 2652A) is repealed.

(2) Section 9(a) of Public Law 93-126, as amended (22 U.S.C. 2655a) is repealed.

(3) Section 122(a) of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2652b) is repealed.

(4) Section 5314 of title 5, United States Code, is amended by striking:

"Under Secretary of State for Political Affairs and Under Secretary of State for Economic and Agricultural Affairs and an Under Secretary of State for Coordinating Security Assistance Programs and Under Secretary of State for Management.

"Counselor of the Department of State." and inserting in its place:

"Under Secretaries of State (5).".

(5) Section 5315 of title 5, United States Code, is amended—

(A) by striking "Assistant Secretary for International Narcotics Matters, Department of State.", "Assistant Secretary for South Asian Affairs, Department of State.", and "Assistant Secretary for Oceans and International Environmental and Scientific Affairs, Department of State.";

(B) by striking "(15)" where it appears after "Assistant Secretaries of State", and inserting in its place "(24)"; and

(C) by inserting "Counselor of the Department of State.".

(6) The Foreign Assistance Authorization Act of 1961, as amended, is further amended—

(A) in section 116(c) (22 U.S.C. 2151n), by striking "Assistant Secretary for Human Rights and Humanitarian Affairs" and inserting in its place "Secretary of State";

(B) in sections 502B(b) (22 U.S.C. 2304(b)), 502B(c)(1) (22 U.S.C. 2304(c)), and 505(g)(4)(A) (22 U.S.C. 2314(g)(4)(A)) by striking ", prepared with the Assistance of the Assistant Secretary of State for Human Rights and Humanitarian Affairs," wherever it appears;

(C) in section 573—

(i) in subsection 573(c) by striking "The Assistant Secretary of State for Human Rights and Humanitarian Affairs" and inserting in its place "The Secretary of State"; and

(ii) in subsection 573(d)(3) by striking "by employees of the Bureau of Diplomatic Security".

(D) in section 624(f)(1) (22 U.S.C. 2384(f)(1)) by repealing all of section 624(f)(1);

(E) in section 624(f)(2) by striking "(2) The Assistant Secretary of State for Human Rights and Humanitarian Affairs" and inserting in its place "The Secretary of State"; and

(F) in section 624(f)(2)(C) by striking "the Secretary of State and" and "Assistant".

(7) The Arms Export Control Act is amended in section 5(d)(1) (22 U.S.C. 2755(d)(1)) by striking "Assistant Secretary of State for Human Rights and Humanitarian Affairs" and inserting in its place "Secretary of State".

(8) The Diplomatic Security Act is further amended—

(A) in section 102(b) (22 U.S.C. 4801(b)) by striking paragraph (b)(2) and renumbering paragraphs (3) through (6) as (2) through (5) respectively;

(B) in subsection 103(a)—

(i) by inserting "(1)" before "The Secretary of State" and redesignating paragraphs (1) through (4) as (A) through (D) respectively; and

(ii) by inserting at the end the following new paragraph:

"(2) Security responsibilities of the Secretary include but are not limited to the following:";

"(A) FORMER OFFICE OF SECURITY FUNCTIONS.—Functions and responsibilities exercised by the Office of Security, Department of State, before November 1, 1985.

"(B) SECURITY AND PROTECTIVE OPERATIONS.—

"(i) Establishment and operations of post security and protective functions abroad.

"(ii) Development and implementation of communications, computer, and information security.

"(iii) Emergency planning.

"(iv) Establishment and operations of local guard services abroad.

"(v) Supervision of the United States Marine Corps security guard program.

"(vi) Liaison with American overseas private sector security interests.

"(vii) Protection of foreign missions and international organizations, foreign officials, and diplomatic personnel in the United States, as authorized by law.

"(viii) Protection of the Secretary of State and other persons designated by the Secretary of State, as authorized by law.

"(ix) Physical protection of Department of State facilities, communications, and computer information systems in the United States.

"(x) Conduct of investigations relating to protection of foreign officials and diplomatic personnel and foreign missions in the United States, suitability for employment, employee security, illegal passport and visa issuance or use, and other investigations, as authorized by law.

"(xi) Carrying out the rewards program for information concerning international terrorism authorized by section 36(a) of the State Department Basic Authorities Act of 1956.

"(xii) Performance of other security, investigative, and protective matters as authorized by law.";

(C) by repealing section 104;

(D) in section 105 by deleting the title and text through subsection 105(3) and by redesignating subsections 105(4) through 105(8) as subsections 103(a)(2)(C) through 103(a)(2)(G).

(E) in section 107, by striking "The Chief of Protocol of the Department of State shall consult with the Assistant Secretary of Diplomatic Security" and inserting in its place "The Secretary of State shall take into account security considerations";

(F) in section 201 by striking the title preceding that section and the entire section and inserting in its place the following:

"TITLE II—PERSONNEL

"SEC. 201. DIPLOMATIC SECURITY SERVICE.

The Secretary of State may establish a Diplomatic Security Service, which shall perform such functions as may be assigned to it by the Secretary of State.";

(G) in section 202—

(i) by striking "The" in the first sentence and inserting in its place "Any such";

(ii) by striking "shall" wherever it appears and inserting in its place "should"; and

(iii) by striking the last sentence; (H) in section 203—

(i) by striking the title and inserting in its place "SPECIAL AGENTS";

(ii) in the first sentence by striking "Positions in the Diplomatic Security Service" and inserting in its place "Special agent positions"; and

(iii) in the last sentence by striking "In the case of positions designated for special agents, the" and inserting in its place "The"; and

(I) in section 402(a)(2) by striking "Assistant Secretary for Diplomatic Security" and inserting in its place "Secretary of State".

(9) The Immigration and Nationality Act is further amended—

(A) in section 101(a)(1) (8 U.S.C. 1101(a)(1)) by striking "Assistant Secretary of State for Consular Affairs" and inserting in its place

"official designated by the Secretary of State pursuant to section 104(b) of this Act".

(B) in section 104 (8 U.S.C. 1104)—

(i) in the title by striking "; Bureau of Consular Affairs";

(ii) in subsection (a), by striking "the Bureau of Consular Affairs" and inserting in its place "the administrator";

(iii) by striking subsection (b) and inserting in its place the following:

"(b) The Secretary of State shall designate an administrator who shall be a citizen of the United States, qualified by experience. The administrator shall maintain close liaison with the appropriate committees of Congress in order that they may be advised regarding the administration of this Act by consular officers. The administrator shall be charged with any and all responsibility and authority in the administration of this Act which are conferred on the Secretary of State as may be delegated to the administrator by the Secretary of State or which may be prescribed by the Secretary of State, and shall perform such other duties as the Secretary of State may prescribe.";

(iii) in subsection (c), by striking "Bureau" and inserting in its place "Department of State"; and

(iv) in subsection (d), by placing a period after "respectively" and deleting the remainder of the subsection.

(C) in Section 105 (8 U.S.C. 1105) by striking "Assistant Secretary of State for Consular Affairs" and inserting in its place "administrator" in both sentences.

SEC. 203. ENVOY TO THE AFGHAN RESISTANCE.

Section 306 of the Department of State Appropriations Act, 1989 (P.L. 100-459) is repealed.

SEC. 204. BURDENSHARING.

Section 8125(c) of the Department of Defense Appropriations Act, Fiscal Year 1989 (P.L. 104-463) is repealed.

SEC. 205. COORDINATOR FOR INTERNATIONAL COMMUNICATIONS AND INFORMATION POLICY.

Section 35 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2707) is amended—

(1) in subsection (a) by striking the parenthetical phrase; and

(2) in subsection (b)—

(A) by striking everything after "(b)" and before "(1)" and inserting in its place the following:

"The Secretary of State shall be responsible for formulation, coordination, and oversight of international communications and information policy. The Secretary of State shall—";

(B) by renumbering clauses (1) through (7) as (2) through (8) respectively;

(C) by inserting a new clause (1) as follows: "exercise primary authority for the conduct of foreign policy with respect to telecommunications, including the determination of United States positions and the conduct of United States participation in bilateral and multilateral negotiations with foreign governments and in international bodies;"

(D) in renumbered clause (2), by striking "with the bureaus and offices of the Department of State and", and inserting before the semicolon "and with the Federal Communications Commission, as appropriate"; and

(E) in renumbered clause (4), by striking "the Senior Interagency Group on International Communications and Information Policy" and inserting in its place "any senior interagency policy-making group on international telecommunications and information policy".

SEC. 206. REFUGEE AFFAIRS.

(a) AMENDMENTS TO THE REFUGEE ACT.—The Refugee Act of 1980 (P.L. 96-212) is amended—

(1) in the heading for Title III by striking "United States Coordinator for Refugee Affairs and";

(2) in the heading for Part A, by striking such heading;

(3) by repealing section 301 (8 U.S.C. 1525); and

(4) by striking the heading for Part B.

(b) AMENDMENTS TO THE MIGRATION AND REFUGEE ASSISTANCE ACT.—Section 5 of the Migration and Refugee Assistance Act (22 U.S.C. 2605) is amended—

(1) in subsection (a) by striking "and" at the end of paragraph (6), striking the period at the end of paragraph (7) and replacing it with "; and", and adding the following new paragraph at the end:

"(8) administrative expenses of the bureau charged with carrying out this Act."; and

(2) by adding the following new subsection (c) at the end:

"(c) For purposes of this section the "purposes of this Act" include population-related activities.".

(c) AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT.—

(1) Section 411 of the Immigration and Nationality Act (8 U.S.C. 1521) is amended by striking "and under the general policy guidance of the United States Coordinator for Refugee Affairs (hereinafter in this chapter referred to as the "Coordinator")" and inserting in its place "the Secretary of State";

(2) Section 412 of the Immigration and Nationality Act (8 U.S.C. 1522) is amended—

(A) in subsection (a)(2)(A), by striking ", together with the Coordinator,";

(B) in subsection (b)(3) and (b)(4), by striking "in consultation with the Coordinator,";

(C) in subsection (e)(7)(C), by striking ", in consultation with the United States Coordinator for Refugee Affairs,"; and

(3) Section 413(a) of the Immigration and Nationality Act (8 U.S.C. 1523) is amended by striking ", in consultation with the Coordinator,";

SEC. 207. OFFICE OF FOREIGN MISSIONS.

Title II of The State Department Basic Authorities Act, 22 U.S.C. 4301 et seq. is amended—

(a) in section 202 by striking paragraph (a)(3) and renumbering subparagraphs (4) through (8) as (3) through (7);

(b) in section 203—

(1) by striking the heading immediately preceding that section and replacing it with "Authorities of the Secretary of State";

(2) by striking subsections (a) and (b);

(3) in subsection (c)—

(A) by striking "(c) The Secretary may authorize the Director to" and inserting in its place "The Secretary is authorized to";

(B) by striking "and" at the end of paragraph (3);

(C) by striking the period at the end of paragraph (4) and replacing it with ";"; and

(D) by redesignating paragraphs (1) through (4) as (a) through (d);

(E) redesignating newly designated paragraph (d) as (e); and

(F) adding the following new paragraph (d):

"(d) designate an office within the Department of State to carry out the purposes of this Act. In the event such an office is established, the President may appoint, by and with the advice and consent of the Senate, a Director, with the rank of ambassador. Furthermore, of the Director and the next most senior person in the office, one should be an individual who has served in the United States Foreign Service while the other should be an individual who has served in the United States Intelligence Community; and".

(c) in section 204—

(1) in paragraphs (a), (b) and (c) by striking "Director" wherever it appears and inserting in its place "Secretary"; and

(2) in paragraph (d) by striking "the Director or any other" and inserting in its place "any";

(d) in section 204A by striking "Director" wherever it appears and inserting in its place "Secretary";

(e) in section 205—

(1) in paragraph (a) by striking "Director" and inserting in its place "Secretary"; and

(2) in subparagraph (c)(2) by striking "authorize the Director to";

(f) in section 208—

(1) in paragraph (d) by striking "Director" and inserting in its place "Secretary";

(2) in paragraphs (c), (e), and (f) by striking "Office of Foreign Missions" wherever it appears and inserting in its place "Department of State"; and

(3) in subparagraph (h)(2) by striking "Director or the".

SEC. 208. DIRECTOR GENERAL OF THE FOREIGN SERVICE.

Section 208 of the Foreign Service Act of 1980 (22 U.S.C. 3928) is amended to read as follows:

"SEC. 208 DIRECTOR GENERAL OF THE FOREIGN SERVICE.—The President may appoint, by and with the advice and consent of the Senate, a Director General of the Foreign Service, who should be a career member of the Senior Foreign Service. Such an individual should assist the Secretary of State in the management of the Service and perform such functions as the Secretary of State may prescribe.".

TITLE III—TORTURE AND TERRORISM OFFENSES AND SANCTIONS

SEC. 301. IMPLEMENTATION OF THE 1988 PROTOCOL FOR THE SUPPRESSION OF UNLAWFUL ACTS OF VIOLENCE AT AIRPORTS SERVING INTERNATIONAL CIVIL AVIATION.

(A) OFFENSE.—Chapter 2 of title 18, United States Code, is amended by adding at the end the following new section:

"Sec. 36. Violence at international airports

"(a) Whoever unlawfully and intentionally, using any device, substance or weapon—

"(1) performs an act of violence against a person at an airport serving international civil aviation which causes or is likely to cause serious injury or death; or

"(2) destroys or seriously damages the facilities of an airport serving international civil aviation or a civil aircraft not in service located thereon or disrupts the services of the airport, if such an act endangers or is likely to endanger safety at the airport, or attempts to do such an act, shall be fined under this title, imprisoned not more than 20 years, or both, and if the death of any person results form conduct prohibited by this subsection, shall be punished by death or imprisoned for any term of years or for life.

"(b) There is jurisdiction over the activity prohibited in subsection (a) if—

"(1) the prohibited activity takes place in the United States; or

"(2) the prohibited activity takes place outside the United States and the offender is later found in the United States.".

(b) TECHNICAL AMENDMENT.—The chapter analysis for chapter 2 of title 18, United States Code, is amended by adding at the end the following new item:

"36. Violence at international airports.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the later of—

(1) the date of enactment of this Act; or

(2) the date on which the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, Supplementary to the Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation, done at Montreal on 23 September 1971, has come into force and the United States has become a party to the Protocol.

SEC. 302. AMENDMENT TO THE FEDERAL AVIATION ACT.

Section 902(n) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1472(n)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraph (4) as paragraph (3).

SEC. 303. OFFENSES OF VIOLENCE AGAINST MARITIME NAVIGATION OR FIXED PLATFORMS.

(a) OFFENSE.—Chapter 111 of title 18, United States Code, is amended by adding at the end the following new sections:

"SEC. 2280. VIOLENCE AGAINST MARITIME NAVIGATION.—

"(a) OFFENSE.—Whoever unlawfully and intentionally—

"(1) seizes or exercises control over a ship by force or threat thereof or any other form of intimidation;

"(2) performs an act of violence against a person on board a ship if that act is likely to endanger the safe navigation of that ship;

"(3) destroys a ship or causes damage to a ship or to its cargo which is likely to endanger the safe navigation of that ship;

"(4) places or causes to be placed on a ship, by any means whatsoever, a device or substance which is likely to destroy that ship, or cause damage to that ship or its cargo which endangers or is likely to endanger the safe navigation of that ship;

"(5) destroys or seriously damages maritime navigational facilities or seriously interferes with their operation, if such act is likely to endanger the safe navigation of a ship;

"(6) communicates information, knowing the information to be false and under circumstances in which such information may reasonably be believed, thereby endangering the safe navigation of a ship;

"(7) injures or kills any person in connection with the commission or the attempted commission of an offense described in paragraph (1), (2), (3), (4), (5), or (6); or

"(8) attempts to commit any act prohibited under paragraph (1), (2), (3), (4), (5), (6), or (7), shall be fined under this title, imprisoned not more than 20 years, or both, and if the death of any person results from conduct prohibited by this subsection, shall be punished by death or imprisoned for any term of years or for life.

"(b) THREATENED OFFENSE.—Whoever threatens to commit any act prohibited under subsection (a) (2), (3), or (5), with apparent determination and will to carry the threat into execution, if the threatened act is likely to endanger the safe navigation of the ship in question, shall be fined under this title, imprisoned not more than 5 years, or both.

"(c) JURISDICTION.—There is a jurisdiction over the activity prohibited in subsection (a) and (b)—

"(1) in the case of a covered ship, if—

"(A) such activity is committed—

"(i) against or on board a ship flying the flag of the United States at the time the prohibited activity is committed;

"(ii) in the United States; or

"(iii) by a national of the United States or by a stateless person whose habitual residence is in the United States;

"(B) during the commission of such activity, a national of the United States is seized, threatened, injured, or killed; or

"(C) the offender is later found in the United States after such activity is committed;

"(2) in the case of a ship navigating or scheduled to navigate solely within the territorial sea or internal waters of a country other than the United States, if the offender is later found in the United States after such activity is committed; and

"(3) in the case of any vessel, if such activity is committed in an attempt to compel the United States to do or abstain from doing any act.

"(d) DELIVERY OF PROBABLE OFFENDER.—The master of a covered ship flying the flag of the United States who has reasonable grounds to believe that he or she on board the ship any person who has committed an offense under Article 3 of the Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation may deliver such person to the authorities of a State Party to that Convention. Before delivering such person to the authorities of another country, the master shall notify in an appropriate manner the Attorney General of the United States of the alleged offense and await instructions from the Attorney General as to what action the master should take. When delivering the person to a country which is a State Party to the Convention, the master shall, whenever practicable, and if possible before entering the territorial sea of such country, notify the authorities of such country of his or her intention to deliver such person and the reason therefor. If the master delivers such person, the master shall furnish the authorities of such country with the evidence in the master's possession that pertains to the alleged offense.

"(e) DEFINITIONS.—As used in this section—

"(1) 'ship' means a vessel of any type whatsoever not permanently attached to the seabed, including dynamically supported craft, submersibles or any other floating craft, but does not include a warship, a ship owned or operated by a government when being used as a naval auxiliary or for customs or police purposes, or a ship that has been withdrawn from navigation or laid up;

"(2) 'covered ship' means a ship that is navigating or is scheduled to navigate into, through, or from waters beyond the outer limit of the territorial sea of a single country or a lateral limit of that country's territorial sea with an adjacent country;

"(3) 'national of the United States' has the meaning stated in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

"(4) 'territorial sea of the United States' means all waters extending seaward to 12 nautical miles from the baselines of the United States determined in accordance with international law; and

"(5) 'United States', when used in a geographical sense, includes the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas Islands, and all territories and possessions of the United States.

"SEC. 2281. VIOLENCE AGAINST MARITIME FIXED PLATFORMS.—

"(a) OFFENSE.—Whoever unlawfully and intentionally—

"(1) seizes or exercises control over a fixed platform by force or threat thereof or any other form of intimidation;

"(2) performs an act of violence against a person on board a fixed platform if that act is likely to endanger its safety;

"(3) destroys a fixed platform or causes damage to it which is likely to endanger its safety;

"(4) places or causes to be placed on a fixed platform, by any means whatsoever, a device or substance that is likely to destroy the fixed platform or likely to endanger its safety;

"(5) injures or kills any person in connection with the commission or attempted commission of an offense described in paragraph (1), (2), (3), or (4); or

"(6) attempts to do anything prohibited under paragraphs (1), (2), (3), (4) or (5);

shall be fined under this title, imprisoned not more than 20 years, or both, and if death results to any person from conduct prohibited by this subsection, shall be punished by death or imprisoned for any term of years or for life.

"(b) THREATENED OFFENSE.—Whoever threatens to do any thing prohibited under subsection (a) (2) or (3), with apparent determination and will to carry the threat into execution, if the threatened act is likely to endanger the safety of the fixed platform, shall be fined under this title or imprisoned not more than 5 years, or both.

"(c) JURISDICTION.—There is jurisdiction over the activity prohibited in subsections (a) and (b) if—

"(1) such activity is committed against or on board a fixed platform—

"(A) that is located on the continental shelf of the United States;

"(B) that is located on the continental shelf of another country, by a national of the United States or by a stateless person whose habitual residence is in the United States; or

"(C) in an attempt to compel the United States to do or abstain from doing any act:

"(2) during the commission of such activity against or on board a fixed platform located on a continental shelf, a national of the United States is seized, threatened, injured or killed; or

"(3) such activity is committed against or on board a fixed platform located outside the United States and beyond the continental shelf of the United States and the offender is later found in the United States.

"(d) DEFINITIONS.—As used in this section—

"(1) 'continental shelf' means the seabed and subsoil of the submarine areas that extend beyond a country's territorial sea to the limits provided by customary international law as reflected in Article 76 of the 1982 Convention on the Law of the Sea;

"(2) 'fixed platform' means an artificial island, installation or structure permanently attached to the seabed for the purpose of exploration or exploitation of resources or for other economic purposes;

"(3) 'national of the United States' has the meaning stated in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101 (a) (22));

"(4) 'territorial sea of the United States' means all waters extending seaward to 12 nautical miles from the baselines of the United States determined in accordance with international law; and

"(5) 'United States', when used in a geographical sense, includes the Commonwealth of Puerto Rico, the Commonwealth of the Northern Marianas Islands, and all territories and possessions of the United States.".

(b) TECHNICAL AMENDMENT.—The chapter analysis for chapter III of title 18, United States Code, is amended by adding at the end the following new items:

"2280. Violence against maritime navigation.
"2281. Violence against maritime fixed platforms.".

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect on the later of—

(1) the date of enactment of this Act; or

(2)(A) in the case of section 2280 of title 18, United States Code,the date on which the Convention for the Supression of Unlawful Acts Against the Safety of Maritime Navigation has come into force and the United States has become party to that Convention; and

(B) in the case of section 2281 of title 18, United States Code, the date on which the Protocol for the Suppression of Unlawful Acts Against the Safety of Fixed Platforms Located on the Continental Shelf has come into force and the United States has become a party to that Protocol.

SEC. 304. TORTURE CONVENTION IMPLEMENTATION.

(a) IN GENERAL.—Part I of title 18, United States Code, is amended by inserting after chapter 113A the following new chapter:

"CHAPTER 113B—TORTURE

"Sec.
"2340. Definitions.
"2340A. Torture.
"2340B. Exclusive remedies.

"SEC. 2340. DEFINITIONS.

"As used in this chapter—

"(1) 'torture' means an act committed by a person acting under the color of law specifically intended to inflict severe physical or mental pain or suffering (other than pain or suffering incidental to lawful sanctions) upon another person with custody or physical control;

"(2) 'severe mental pain or suffering' means the prolonged mental harm caused by or resulting from—

"(A) the intentional infliction or threatened infliction of severe physical pain or suffering;

"(B) the administration or application, or threatened administration or application, of mind-altering substances or other procedures calculated to disrupt profoundly the senses or the personality;

"(C) the threat of imminent death; or

"(D) the threat that another person will imminently be subjected to death, severe physical pain or suffering, of the administration or application of mind-altering substances or other procedures calculated to disrupt profoundly the senses or personality; and

"(3) 'United States' includes all areas under the jurisdiction of the United States including any of the places described in sections 5 and 7 of this title and section 101(38) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301(38)).

"SEC. 2340A. TORTURE.

"(a) OFFENSE.—Whoever outside the United States commits or attempts to commit torture shall be fined under this title or imprisoned not more than 20 years, or both, and if death results to any person from conduct prohibited by this subsection, shall be imprisoned for any term of years or for life.

"(b) JURISDICTION.—There is jurisdiction over the activity prohibited in subsection (a) if—

"(1) the alleged offender is a national of the United States; or

"(2) the alleged offender is present in the United States, irrespective of the nationality of the victim or alleged offender.

"SEC. 2340B. EXCLUSIVE REMEDIES.

"Nothing in this chapter shall be construed as precluding the application of State or local laws on the same subject, nor shall anything in this chapter be construed as creating any substantive or procedural right enforceable by law by any party in any civil proceeding.".

(b) TECHNICAL AMENDMENT.—The part analysis for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 113A the following new item:

"113B.
Torture ..... 2340.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the later of—

(1) the date of enactment of this Act; or

(2) the date on which the United States has become a party to the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

SEC. 305. PROVIDING MATERIAL SUPPORT TO TERRORISTS.

(a) OFFENSE.—Chapter 113A of title 18, United States Code, is amended by adding at the end the following new section:

"SEC. 2339. PROVIDING MATERIAL SUPPORT TO TERRORISTS.

"Whoever, within the United States, provides material support or resources or conceals or disguises the nature, location, source, or ownership of material support or resources, knowing or intending that they are to be used in preparation for, or in carrying out, a violation of section 32, 36, 351, 844 (f) or (i), 1114, 1116, 1203, 1361, 1363, 1751, 2280, 2281, 2332, or 2339A of this title or section 902(i) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1472(i)), or in preparation for, or carrying out, the concealment or an escape from the commission of any of the foregoing, shall be fined under this title, imprisoned not more than 10 years, or both. For purposes of this section, material support or resources includes currency or other financial securities, financial services, lodging, training, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, but does not include humanitarian assistance to persons not directly involved in such violations.".

(b) TECHNICAL AMENDMENT.—The chapter analysis for chapter 113A of title 18, United States Code, as amended by section 601(b)(1), is amended by adding at the end the following new item:

"2339. Providing material support to terrorists".

SEC. 306. EXTENSION OF THE STATUTE OF LIMITATIONS FOR CERTAIN TERRORISM OFFENSES.

(a) IN GENERAL.—Chapter 213 of title 18, United States Code, is amended by inserting after section 3285 the following new section:

"SEC. 3286. EXTENSION OF STATUTE OF LIMITATIONS FOR CERTAIN TERRORISM OFFENSES.

"Notwithstanding section 3282, no person shall be prosecuted, tried, or punished for any offense involving a violation of section 32, 36, 112, 351, 1116, 1203, 1361, 1751, 2280, 2281, 2332, or 2339A of this title or section 902 (i), (j), (k), (l), or (n) of the Federal Aviation Act of 1958 (49 U.S.C. App. 1572 (i), (j), (k), (l), and (n)), unless the indictment is found or the information is instituted within 10 years next after such offense shall have been committed.".

(b) TECHNICAL AMENDMENT.—The Chapter analysis for chapter 213 of title 18, United States Code, is amended by inserting after the item relating to section 3285 the following new item:

"3286. Extension of statute of limitations for certain terrorism offenses.".

SECTION-BY-SECTION ANALYSIS

TITLE I—DEPARTMENT OF STATE

Part A—Authorization of appropriations

Sec. 101. Administration of Foreign Affairs

This section authorizes appropriations under the heading "Administration of Foreign Affairs" for fiscal years 1994 and 1995. It authorizes the necessary funds for the salaries, expenses, and allowances of the officers and employees of the Department, both in the United States and abroad and the expenses of the Office of Inspector General. It includes funds for executive direction and policy formulation, conduct of diplomatic relations with foreign governments and international organizations, acquisitions and maintenance of office space and living quarters for the United States missions abroad, provision of security for those operations, and domestic public information activities. This section also authorizes funds for activities such as relief and repatriation loans to United States citizens abroad and for other emergencies of the Department; and authorizes appropriations for protection of foreign missions and officials and for the American Institute in Taiwan.

Sec. 102. International Organizations and Conferences

This section authorizes appropriations for fiscal years 1994 and 1995 under the heading "International Organizations and Conferences". It authorizes the necessary funds for United States contributions of its assessed share of the expenses of the United Nations and other international organizations of which the United States is a member, including arrearages from prior year contributions. In addition, provision is made for funding certain aspects of official United States Government participation in regularly scheduled or planned multilateral intergovernmental conferences, meetings and related activities, and for contributions to international peacekeeping and related activities.

Sec. 103. International Commissions

This section authorizes appropriations for fiscal years 1994 and 1995 under the heading "International Commissions". It authorizes funds necessary to enable the United States to meet its obligations as a participant in international commissions to include those commissions dealing with American boundaries and related matters with Canada and Mexico, and international fisheries commissions.

Sec. 104. Migration and Refugee Assistance

This section authorizes appropriations for fiscal years 1994 and 1995 under the heading "Migration and Refugee Assistance" to enable the Secretary of State to provide assistance and make contributions for migrants and refugees, including contributions to international organizations such as the United Nations High Commissioner for Refugees and the International Committee for the Red Cross, through private voluntary agencies, governments, and bilateral assistance, as authorized by law.

Sec. 105. Other Programs

This section authorizes appropriations for "Other Programs" for fiscal years 1994 and 1995. It authorizes funds for United States bilateral science and technology agreements, and for the Asia Foundation.

Sec. 106. Prohibition on Discriminatory Contracts

This section prohibits the Department of State from obligating or expending any funds authorized to be appropriated in this

Act for contracts with firms that comply with the Arab League Boycott of Israel or that discriminate in the award of subcontracts on the basis of religion. The language is virtually identical to that which has been included in the Department of State Appropriations Acts for Fiscal Years 1992 and 1993. The section would authorize the Secretary of State to waive the prohibition on a country-by-country basis if he certifies to Congress that the waiver is in the national interest and necessary to carry on the diplomatic functions of the United States.

Part B—Department of State authorities and activities

Sec. 111. Emergencies in the Diplomatic and Consular Service

This section amends section 4(c) of the State Department Basic Authorities Act, which pertains to an Office of Inspector General annual confidential audit of the Department's emergency expenditures. The amendment would change the reference to the "Office of the Inspector General of the Department of State and the Foreign Service," which is a predecessor organization to the current Office of Inspector General of the Department of State. In addition, it would retain the audit requirement but remove the requirement that the audit be confidential. The audit that the OIG performs and the audit report it prepares do not normally require confidential treatment. This amendment would not change the OIG's authority and responsibility to protect information that is classified for national security purposes or otherwise required to be treated as confidential, but would remove the requirement that the entire audit and report be confidential.

Sec. 112. Transfers and Reprogrammings

Sec. 112(a)

Subsection 112(a) would amend Section 24 of the Basic Authorities Act (22 U.S.C. 2696) by removing the "sunset clause" in subsection 24(b)(7), which authorizes funds to be transferred to the Buying Power Maintenance Account under certain circumstances; by removing the restriction that limits the transfer of authorization between accounts to the second fiscal year of any two year authorization cycle for the Department of State; by increasing to 35 percent the percentage by which one account can be increased by a transfer of funds from another account (except that the "Salaries and Expenses" and "Acquisition and Maintenance of Buildings Abroad" accounts could not be increased by more than 10 percent; by making such transfer authority permanent; and by adding new subsection (f).

New subsection (f) would authorize transfer of appropriations among all appropriations accounts funded by the Department of State Appropriations Act; however, except for the "Emergencies in the Consular and Diplomatic Service" account, no account could be increased by more than 35 percent of the amount appropriated and neither the "Salaries and Expenses" account nor the "Acquisition of Foreign Buildings Abroad" account may be increased by more than 10 percent. This transfer authority allows the Department to deal with uncertainties which cannot be programmed for in certain accounts, in particular the Emergencies in the Diplomatic and Consular Services and the International Conferences and Contingencies accounts. Any such transfer would be subject to notification pursuant to the reprogramming procedures set forth in section 34 of the Department of State Basic Authorities Act, except that, in cases where the safety of human life is involved, the 15-day waiting period required by that section would apply only to the extent possible, in light of the emergency nature of the situation.

Sec. 112(b)

Subsection 112(b) repeals the requirements to notify Congress in advance pursuant to the reprogramming procedures contained in section 34 of the Basic Authorities Act regarding all expenditures of funds authorized under the Omnibus Diplomatic Security and Antiterrorism Act, even if the expenditures are for the identical purposes that Congress has previously been made aware of, e.g., through budget submissions. Originally this requirement enabled Congress to be fully informed of any changes in the long-term Diplomatic Security construction plan presented to it in 1986. This function is now served by the 5-year plan included and updated annually in the Department's budget for FBO.

Sec. 112(c)

Subsection 112(c) would add a new subsection (c) to section 34 of the Department of State Basic Authorities Act which would authorize obligation and expenditure of funds in an emergency situation where the safety of human life is involved without a full 15-day prior notification to Congress. The 15 day notification period would apply only in keeping with the emergency nature of the situation where human life is involved.

Sec. 113. Expenses Relating to Certain International Proceeding and Claims

This section would amend section 38 of the State Department Basic Authorities Act by adding new subsections (c) and (d). New subsection 38(c) authorizes the procurement of services of experts or other support services for use in preparing or prosecuting a proceeding before an international tribunal or a claim by or against a foreign government or other foreign entity, without a regard to competitive procurement procedures, and without regard to whether the expert is expected to testify. This authority is necessary for the retention of experts or other support services (such as secretarial, copying, binding and other similar services when these needs are of such a magnitude that they cannot be handled by the Department) in a timely manner. The Justice Department (P.L. 102-140, section 611(a)) and the Internal Revenue Service (41 U.S.C. 261) have similar authority to retain experts for litigation they undertake, and any executive branch agency has it for Super Fund litigation (42 U.S.C. 9609(e)). This provision makes no changes in the responsibilities of any agency with regard to the types of legal proceedings it handles.

New subsection 38(d) would create a no-year account for expenses of United States participation in international arbitration and other activities related to international claims. The Department is facing ever increasing demands for legal services. It is clear from the trends of recent years that the International Court of Justice and analogous proceedings such as arbitral and fact-finding proceedings are being sought more frequently as the recourse for solving international disputes. Such activities often affect substantial foreign policy interests and can have significant international law, political, as well as financial consequences. As seen by the litigation before the Iran-United States Claims Tribunal and the United Nations Compensation Commission (the Iraq Claims system established by the Security Council), litigation and analogous international proceedings also require vast resource commitments extended over many years.

However, the timing and extent of the costs of these proceedings are often unpredictable. Expenses that are anticipated for one fiscal year might be delayed until the following year because of actions of an international tribunal or another party; in the same way expenses not anticipated for a particular fiscal year may arise. Currently, funds already authorized, appropriated and allocated for litigation purposes for a given fiscal year cannot be spent for such purposes if the expense is delayed until the following year. The State Department's Office of Inspector General focused on this lack of flexible funding in its recent inspection of the Office of the Legal Adviser. It recommended the establishment of a separate account for international litigation expenses, to be available without fiscal year limitation. New subsection 38(d) implements this recommendation. (This Fund would be used for the costs of defending against or pursuing a claim, not to pay actual judgments against the United States, which are funded by different sources.)

This provision would not authorize additional appropriations for international litigation, but would permit the Department to credit funds otherwise available for international litigation purposes to the Fund, subject to reprogramming procedures. It would also require that contributions and reimbursements from claimants, other agencies and private entities whose interests are being represented by the State Department be deposited in the Fund.

Sec. 114. Childcare Facilities at Certain Posts Abroad

This section would extend indefinitely authority for a child care program which under current law will expire at the end of fiscal year 1993.

Sec. 115. Technical Correction

Section 115 would correct the inadvertent designation of an amendment to section 2 of the State Department Basic Authorities Act. The amendment, made by P.L. 102-138, was incorrectly designated as subsection "(l)", resulting in two subsections with the same designation. Section 115 replaces this designation with the proper lettering, which is "(m)".

Sec. 116. Role of the Foreign Service Institute

This section would amend section 701 of the Foreign Service Act of 1980 by adding a new subsection (d). This provision would clarify the authority of the Foreign Service Institute (FSI) to provide special professional foreign affairs training programs to employees of foreign governments. Over the next several years as the needs of the post-Cold War era become more evident, the foreign affairs and diplomatic training needs of newly emerging democratic nations will continue to grow. The United States has expertise in professional foreign affairs training and can provide the leadership essential to future international relationships by extending training programs to foreign governments. The provision of professional training to these government officials will fill a need within the international community, and advance the understanding of western ways and institutions.

This provision would authorize FSI to conduct this training on a reimbursable basis, with reimbursement to be paid by other U.S. government agencies or by a foreign government.

Sec. 117. Reporting Requirement on American Prisoners Abroad

This provision would eliminate the requirement for an annual report to Congress on American prisoners in foreign jails that is of minimal interest and yet consumes significant resources to prepare.

Sec. 118. Persons Authorized To Issue Passports Abroad

This provision would clarify that passports may be issued abroad by designated State Department employees assigned to U.S. posts abroad who are not diplomatic or consular officers but who, like such officers, are U.S. citizens. It also modernizes references to diplomatic and consular officers. The provision would allow more efficient use of Department employees at posts abroad, including spouses, etc. The Department does not intend to extend the authority to issue passports to consular agents, who are not located in an embassy or consulate, and may not be U.S. citizens.

Sec. 119. Notarial Authority

This provision would provide a clear statutory basis for designated State Department employees who are not diplomatic or consular officers to perform notarial services. It would preserve the citizenship qualification that applies to diplomatic and consular officers. As with section 118, the Department does not intend to extend notarial authority to consular agents.

Sec. 120. Consolidation of Reporting Requirements on Visa Denials

Section 120(a) would repeal section 51 of the State Department Basic Authorities Act, which requires the Secretary to report to Congress each time a consular post denies a visa on grounds of terrorist activities or foreign policy. The requirement to report terrorist denials is unduly burdensome given the non-controversial nature of terrorist denials.

With respect to foreign policy denials, section 120(b) consolidates the overlapping reporting requirements that currently exist in section 51 of the Basic Authorities Act, and section 212(a)(3)(C)(iv) of the Immigration and Naturalization Act. All foreign policy denials will still be reported to Congress. The change, however, will eliminate the confusion of having two overlapping requirements in two different titles of the U.S. Code.

Sec. 122. Grants for Environmental Activities

This provision incorporates into the Department's Basic Authorities Act language that has been included in its appropriation act for the past two years. This provides the Secretary with permanent authority to make grants and otherwise support activities involving international cooperation in environmental and other scientific issues. In past years funds for this purpose have supported such activities as climate and global change.

Part C—Diplomatic reciprocity and security

Sec. 131. Relocation of Participants in Rewards Program

This section permits the admission to the United States for their protection certain foreign individuals who qualify for the Department's Rewards Program for combatting international terrorism by providing information that either prevents terrorist attacks or assists in apprehending and prosecuting terrorists. The amendments would allow for expedited relocation in the U.S. and permanent resident alien status for a maximum of 25 persons per year, including the informants and their families. The determination of eligibility would be made jointly by the Secretary of State and Attorney General. The amendment is intended to help persons who do not fall under the witness protection program.

Part D—Personnel

Sec. 141. Retirement Eligibility for Federal Employees Transferred to International Organizations

The provision corrects an unintended problem resulting from recent reforms in Federal employee benefits laws and affects Federal employees who accept a temporary transfer to employment with an international organization. In general, section 3582 of Title 5, United States Code, provides reemployment rights to Federal employees who transfer with agency approval to an international organization and allows those individuals to continue Federal retirement coverage while so employed. Despite this provision, employees covered by the recently-established Federal Employees' Retirement System (FERS) or Foreign Service Pension System (FSPS) are unable to continue retirement coverage if employed outside the United States by an international organization because of the items of the statutes establishing those systems.

Participation in these Federal retirement systems requires that the individual's employment be subject to Social Security taxes. The problem arises because the Social Security Act and the Internal Revenue Code do not allow United States Government employees transferred temporarily to international organizations abroad to have Social Security coverage. (A partial solution has been worked out for United States Government employees working in the United States for international organizations. They are deemed to be self-employed for purposes of Social Security taxes. The international organization generally reimburses these employees for the tax over and above the tax paid by employed persons and the Department of State reimburses the international organizations, either directly or indirectly. Since many of these employees are from agencies other than the Department of State, this solution requires the Department to pay Social Security for other agencies' employees.)

Section 141 would amend applicable definitions in the Social Security Act and the Internal Revenue Code so that Federal employees who leave a position in which they are subject to social security employment taxes to transfer to international organization employment in the United States or abroad pursuant to section 3582 of title 5 would be deemed employees of the United States solely for the purpose of enabling such a person to continue to receive Social Security coverage, and to continue to participate in FERS or FSPS during their period of service with the international organization. The sending agency would be responsible for the employer's share of the Social Security Tax. The effect of section 141 would be that employees under the FERS or FSPS system who transfer to international organizations would be treated the same as employees under the old Civil Service Retirement System or Foreign Service Retirement and Disability System.

Sec. 142. Waiver of Limit for Certain Claims for Personal Property Damage or Loss

This section would amend the Military Personnel and Civilian Claims Act to authorize the Secretary of State or in certain cases the Secretary of Defense to raise, in exceptional circumstances, to $85,000 the $40,000 ceiling on reimbursement for losses occurring in connection with an evacuation, or caused by a natural disaster.

Section 154 of the Foreign Relations Authorization Act for Fiscal Years 1992 and 1993 (P.L. 102-138) directed the Department of State to prepare a report on whether there was a need to raise this ceiling when there are legitimate claims that exceed $40,000. The request for this report was prompted by the unusually high number of claims in excess of $40,000 that had occurred since 1989, a number of them related to the eruption of Mount Penitubo in the Phillipines. The report concluded that, while most losses covered by the Claims Act are usually covered under the $40,000 ceiling, evacuation-related claims often exceed it. One reason is that when evacuations are the result of war or civil unrest, employees' private insurance companies invoke the war-clause exclusion to deny coverage. Similar exclusions sometimes apply to losses caused by certain types of natural disasters. In addition, evacuations often occur so suddenly that employees are forced to leave virtually all their possessions behind. These possessions left at post are often destroyed. Consequently, claims resulting from evacuations such as occurred in Mogadishu, Somalia and natural disasters such as the eruption of Mount Penitubo often exceed the statutory ceiling.

This section would authorize the Secretary of State, for losses caused by a natural disaster such as floods, hurricanes, tornadoes or volcanic eruptions, or occurring in a country in evacuation status, to make a determination that exceptional circumstances exist that justify waiving the ceiling. For employees not under the authority of the Chief of Mission, the discretion to make the determination of exceptional circumstances would still reside with the Secretary of State but the discretion to waive the limit would rest with the Secretary of Defense. This provision would cover all employees at a post where there is in effect an authorized or ordered departure, including those employees who remain at post, and it would cover losses from natural disasters, whether or not an evacuation was in effect.

Sec. 143. Salaries of Chiefs of Mission

This amendment would make chiefs-of-mission subject to the same aggregate limitation on pay as other members of the Senior Foreign Service and most other federal employees. Although it would remove the exclusion of danger pay from the limitation on chief-of-mission pay, it would also make applicable to the chief-of-mission the rollover provision that currently applies to most other federal employees. Consequently, amounts in excess of the limitations could be paid the following year. Making chiefs of mission subject to the aggregate limitation on pay under 5 U.S.C. 5307 would also ease the pay administration burden because they would then be subject to the same limitations as most other senior level employees.

Sec. 144. Administration of Senior Foreign Service Performance Pay

This amendment would conform procedures for the award of performance pay for Senior Foreign Service members to those applicable to members of the Senior Executive Service. The only significant difference under current law is that the SES calculations are based on a calendar year, while the SFS uses a fiscal year. This amendment would significantly ease pay administration in the Department and would be budget neutral.

Sec. 145. Amendments to Title 5

(a) Away-from-post education allowance

This section would provide an allowance for elementary and secondary school students attending boarding school to travel from boarding school to visit a relative or a family friend or to join the parents at any location, when travel to post is infeasible, because of the brevity of the vacation, the difficulty in travelling to a particular post, or for other reasons. Current law would, for example, permit payment for a child to travel from school in Boston to the parents' post in Kiev for Thanksgiving vacation, a trip that would be impracticable for that short period of time, but not to the child's grandparents in Virginia. The payment allowed could not exceed the cost of travel from school to post. (In addition, current law, which would remain unchanged, requires that the total expenses incurred in any one school year may not exceed the total away-from-post education allowance for the parent's post of assignment.)

(b) Educational travel for certain college students studying abroad

This provision would extend to post-secondary students studying abroad for a year or less in a program affiliated with a school in the United States the same allowance for an annual visit to post that under current law is restricted to students attending school in the United States.

Present law requires a post-secondary student to be in the United States in college or in a post-secondary vocational or technical institution in order to travel once annually to post on the education travel allowance.

While most Foreign Service children attend U.S. universities or colleges, an increasing number of those colleges offer a junior year or semester abroad. Presently the Department of State does not pay for the round-trip travel to post unless the students are attending an institution in the U.S. This provision would allow for the payment of travel of a child to and from post to a secondary school or college outside the U.S. when the dependent is at that school or college for less than a year under a program affiliated with a school or college in the United States.

Sec. 146. Reassignment and Retirement of Former Presidential Appointees

The Department believes that the proposed change will facilitate use of section 813 to effect the retirement of former Ambassadors. Language in current law requires that the Secretary make a finding that continued employment of a former Ambassador is "not in the interest of the United States and the Foreign Service." That standard has proven difficult to administer, thereby rendering the section useless as a management tool. The wording of the proposed revision would, absent compelling factors mandating otherwise, create the expectation of retirement after a Presidential appointment. It would also preclude use of this section for any member of the Service not otherwise eligible for retirement.

Sec. 147. Amendments to Chapter 11 of the Foreign Service Act

Section 147(a)(1) would amend section 1106 of the Foreign Service Act which currently requires the Grievance Board to conduct a hearing at the request of a grievant in, among other cases, any case involving disciplinary action. The proposed amendment would make a hearing mandatory only in cases involving disciplinary action consisting of a suspension of 14 days or more. This would allow for more efficient and timely processing of all cases.

Section 147(a)(2) would also amend section 1106 of the Foreign Service Act. This proposed amendment would limit prescriptive relief pending the Board's ruling on a grievance to one year, unless the Board determines that the agency or the Board has caused a delay in the proceedings.

Section 147(b) would amend section 1107 of the Foreign Service Act to clarify that the Board has authority to direct the Department to take remedial action only if it finds a grievance to be meritorious, i.e., that the Department has erred and the grievant has been harmed by that error. The proposed amendment would specify that, in cases where the Board does not find a grievance to be meritorious, but believes that reformatory action would be in the interest of the Department and the Service, it may advise the Department of its views, but shall not require the Department to take any action.

Section 147(c) would amend section 1110 of the Foreign Service Act to provide a statute of limitations of 180 days for requesting judicial review of a final action of the Secretary or the Board.

Part E—International Organizations

Sec. 151. Agreement on State and Local Taxation of Foreign Employees of Public International Organizations

This provision provides the necessary Congressional approval of the recently signed Executive Agreement exempting certain employees of international organizations located in the U.S. from payment of state and local income taxes. The agreement is modeled on the International Organizations Immunities Act (IOIA) (22 U.S.C. 288), which establishes such immunity from federal but not state taxation, and on the United States Agreement with the World Bank, which exempts that international organization's non-United States citizen employees from both federal and state taxation.

Adoption of the proposed legislation to authorize the entry into force of this Agreement would serve several national interests. The practice of other countries has been to exempt from tax all income paid to non-citizen employees of international organizations. Accordingly, compensation for international civil servants has generally been determined on the basis that employees will not be subject to taxation. The U.S. has long recognized this practice. Recently one U.S. state has attempted to tax the income of non-U.S. citizens from international organizations. The same foreign policy considerations which justify the federal government's conferral of federal income tax exemptions on non-citizen employees of international organizations apply equally to state income tax taxation of those employees. Moreover, the proposed Agreement is necessary to harmonize the treatment of non-citizen employees of international organizations not now covered by agreements exempting them from state income taxation with treatment of non-citizen employees of international organizations who are so covered.

Because of one recent instance when a state has imposed taxes on non-citizen employees of international organizations, the international organizations have indicated their intention to assume the costs of such taxation by reimbursing their employees. The costs of the tax would then be passed to the U.S. and other State members of the organizations. The result would be federal subsidization of state and perhaps local revenue. Such state tax might also prompt foreign governments to review their policies with respect to tax exemption of non-citizen employees of international organizations. Reciprocal action by foreign governments could severely disrupt the system of international civil service.

Sec. 152. Reform in Budget Decision-Making Procedures of the United Nations and its Specialized Agencies

Subsection (a) extends Section 162 of P.L. 102–138 allowing the President to withhold up to 20 percent of appropriated funds for the United States or certain of its specialized agencies if the UN or the agency fails to implement or to continue to implement consensus-based budget decision-making procedures. This ensures that the United States and other major contributors to UN Agency budgets have an appropriate influence in the budget decision making processes of international organizations.

Subsection (b) clarifies that the Department of State may also make arrearage payments for assessed contributions in prior years without regard to subsection (a) of this section or other similar provisions, provided that the Secretary of State determines that such payments would further U.S. interests in the organization to which payment is made.

Sec. 153. International Boundary and Water Commission

Subsection (a) would authorize the United States Section of the International Boundary and Water Commission to receive and retain payments from public or private sources in the U.S. or Mexico, for the purpose of sharing in the cost of replacement of the Bridge of the Americas, which crosses the RioGrande between El Paso, Texas and Cd. Juarez, Chihuahua. This amendment would enable the United States Section to accept and use reimbursements from the El Paso Foreign Trade Association to help offset the cost of construction of additional truck lanes for the Chamizal-Cordova Bridge connecting El Paso, Texas and Ciudad Juarez, Chihuahua, Mexico. The authority to retain and use such payments would be available only to the extent as provided in advance in an appropriation Act.

Subsection (b) would expand the United States Commissioner's authority to expend funds from any IBWC appropriation in the case of an emergency due to the flooding of the Rio Grande, Colorado or Tijuana Rivers. The Commissioner's current authority extends to flood fighting and rescue operations, and repairs of existing flood control works threatened or destroyed by the floodwaters of the above mentioned rivers.

This amendment would expand this authority in three ways. First, it would allow the Commissioner to act in response to the flooding of other streams, in addition to the three rivers, running across or near the United States-Mexican boundary. Second, it would clarify that the Commissioner is authorized to react to all health-threatening water contamination problems caused by flooding, by replacing "sanitation problems" with "water pollution problems". Finally, it would permit the Commission to construct new pollution control works in response to an emergency. The current provision restricts the Commissioner to repairing or replacing existing sanitation infrastructure. Many emergencies require new construction. Among potential emergency measures that could be utilized by the Commission are chlorination of polluted streams, construction of diversion works, pumping facilities, earth moving, lining of facilities and groundwater wellhead protection.

Section 153(c) would establish Falcon and Amistad Operating and Maintenance Fund in the U.S. Treasury, into which would be deposited revenues collected from users (other than the Government of Mexico) in connection with the generation of electric power at the Falcon and Amistad dams. These funds would be available, subject to advance appropriations, for use by the Commissioner of the United States Section to defray operation, maintenance, and emergency costs for the hydroelectric facilities at the dams. Revenues in excess of such appropriations, as well as any revenues received from the Government of Mexico, would be remitted to the Treasury.

Sec. 154. United States Membership in the Asian-Pacific Economic Cooperation Organization

The Asian-Pacific Economic Cooperation (APEC) is an organization comprised of 15 economies in the Asia-Pacific region: Australia, Brunei, Indonesia, Japan, New Zealand, Malaysia, Philippines, Singapore, South Korea, Thailand and the United States. APEC aims to promote economic cooperation among these nations. Ten working groups and two informal groups have been established to pursue programs and activities in a broad range of economic spheres.

APEC Ministers placed APEC on a more formal footing at the September 1992 APEC Ministerial meeting in Bangkok, calling for the creation of a Secretariat and an APEC Fund, with annual budgets to be paid through proportional assessed contributions from each of the 15 members. The secretariat office is established in Singapore. The U.S. assessed share of the annual budget is 18 percent. The United States became chair of the organization at the September 1992 Ministerial, and will serve until it hosts the next Ministerial meeting in Seattle in late 1993. This provision would allow the United States assessed share to be paid from the Contributions to International Organizations account.

Part F—Miscellaneous provisions

Sec. 161. Publication of International Agreements

This section allows the Department of State to determine whether to publish certain categories of international agreements if publication serves no public purpose. At present, such agreements, many of which are expired, constitute a substantial portion of the backlog of unpublished agreements. The publication of such agreements, despite the lack of any public interest, constitutes a waste of resources and impedes the more timely publication of agreements which are of public interest. Accordingly, the Office of the Inspector General has recommended that the Department seek legislation to obviate the need to publish such agreements. Examples of types of agreements that the Department could determine not to publish include technical international postal agreements dealing, inter alia, with permissible types of glue and sizes of envelopes.

This provision would not interfere with publication of agreements by private sources; it would merely eliminate the requirement that the Department of State publish them. Nor would the provision change the Case-Zablocki Act's requirement to report all international agreements to the Congress.

Section 161 would permit the Department to determine that publication of certain categories of agreements is not required, provided that certain criteria are met. The Department would make this determination in consultation with any federal agency concerned with the subject matter of the agreements under consideration for non-publication. Among the criteria are, (1) that such agreements are not treaties brought into force with the advice and consent of the Senate; (2) that there is insufficient public interest to warrant publication, due to the expiration date of the agreement, its specialized or classified nature, or for certain other reasons; and, (3) that certified copies of the non-published agreements can be made available when needed for litigation or similar purposes.

With respect to the non-publication of classified agreements (i.e., those whose public disclosure, in the words of the proposed legislation, taken from the Case-Zablocki Act, "would, in the opinion of the President, be prejudicial to the national security of the United States") this provision simply restates current law, as such agreements have never been published.

Sec. 162. Migration and Refugee Amendments

Subsection 162(a)(1) would amend the Migration and Refugee Assistance Act to reflect the change in name of the Intergovernmental Committee for Migration to the International Organization for Migration, and to reflect prior United States approval of amendments to the organization's constitution. Subsection 162(a)(2) would further amend the Act to raise the authorization ceiling for unobligated funds in the Emergency Refugee and Migration Account from $50,000,000 to $80,000,000. Subsection 162(a)(3) would authorize the retention of the proceeds of sale. Various of the Department's overseas refugee processing operations involve the purchase of equipment that is disposed of, for example for replacement purposes or at the close of operations. Access of the program to the proceeds of these sales would facilitate program operations, particularly in emergency situations.

Subsection 162(b) would make the conforming technical correction of repealing section 745 of Public Law 100-204 which is substantially identical to the amendment of the Migration and Refugee Assistance Act contained in subsection 163(a)(1). Moving this provision from P.L. 100-204 into the Act, where it logically should be located, would make it easier to locate and comprehend.

TITLE II—DEPARTMENT OF STATE ORGANIZATION

Sec. 201. Organizing Principles

Section 201 would state the Congress' findings that, in order to provide the Secretary of State with the flexibility needed as the official primarily responsible under the President's direction for the conduct of the Nation's foreign policy, statutory authorities should be vested in the Secretary, rather than in subordinate officials or offices. In recognition of the oversight role of Congress, the provision would require the Department to notify the relevant Congressional Committees, via reprogramming procedures, before abolishing or creating units at the bureau level or above.

Sec. 202. Under Secretary and Assistant Secretary Positions

Subsection (a) would amend 22 U.S.C. 2652 to add an additional Under Secretary position (which the Department intends to use for the position of Under Secretary for Global Affairs (G) to supervise the new Bureau for Democracy, Human Rights and Labor, the new Bureau of Narcotics, Terrorism and Criminal Affairs, the new Bureau of Population, Refugees and Migration, and the Bureau of Oceans and International Environmental Scientific Affairs). The creation of this fifth Under Secretary position does not increase the number of State Department positions at Level III of the executive pay schedule, because the Level III Counselor position is removed. A new Counselor position is created at Level IV (Assistant Secretary equivalent).

Subsection (a) would also delete the designations of specific Under Secretary positions, and replace them with a provision that establishes five (5) undesignated Under Secretary positions.

Finally, subsection (a) would change the number of Assistant Secretaries authorized in 22 U.S.C. 2652 from 15 to 24. There are currently 18 Assistant Secretaries of State, the 15 positions referenced in this section, and three specific positions (Human Rights and Humanitarian Affairs, Oceans and International Environmental and Scientific Affairs and International Narcotics Matters) authorized in other statutes. Because other provisions in this title would repeal the statutory requirement for these three specific positions, they would be included in the total number mentioned in this section. One additional slot is needed to accommodate the new Assistant Secretary for Population, Refugees and Migration. The remaining five (5) positions would not initially be filled. In the event additional assistant secretaries are required in the future, no additional legislation would be required. Any such position would, of course, require confirmation by the Senate; and, in addition, section 201 of this title makes clear that notification under reprogramming procedures would be required.

Subsection (b) is a series of amendments required to implement the changes made by subsection (a) and by proposed section 201.

Subsection (b)(1) would repeal 22 U.S.C. 2652a, which creates the Assistant Secretary for International Narcotics Matters.

Similarly, subsection (b)(2) would repeal 22 U.S.C. 2655a, the section establishing the Assistant Secretary for Oceans and International Environmental and Scientific Affairs.

Subsection (b)(3) would repeal section 122(a) of Public Law 102-138, which creates the Assistant Secretary for South Asian Affairs.

Subsection (b)(4) would amend 5 U.S.C. 5314, which lists the positions at Level III of the executive pay schedule, to delete references to specific Under Secretaries of State and to the Counselor position, and replace them with a reference to five Under Secretaries of State.

Subsection (b)(5) would amend 5 U.S.C. 5315, which lists positions at Level IV of the executive pay schedule, to (1) add the Counselor position to Level IV; (2) change the number of undesignated Assistant Secretaries of State from 15 to 24; and (3) delete the specific references to the Assistant Secretaries for International Narcotics Matters, Oceans and International Environmental and Scientific Affairs, and South Asia.

Subsection (b)(6) would amend the Foreign Assistance Authorization Act of 1961 to replace references to the Assistant Secretary for Human Rights and Humanitarian Affairs with references to the Secretary of State.

Subsection (b)(7) would amend the Arms Export Control Act to replace references to the Assistant Secretary of State for Human Rights and Humanitarian Affairs with references to the Secretary of State.

Subsection (b)(8) would amend the Diplomatic Security Act (22 U.S.C. 4801 et seq.) to eliminate the statutory creation of the Bureau and Assistant Secretary of Diplomatic

Security and place their establishment within the Secretary of State's discretion. This provision would not change the State Department's authorities and responsibilities related to diplomatic security, but rather would vest in the Secretary of State all the authorities and responsibilities currently suggested for the Assistant Secretary. The amendment retains references to the Diplomatic Security Service and a Director of that Service but places the creation of such a Service and Director within the Secretary's discretion, rather than mandating it as in current law.

Subsection (b)(9) would amend the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) by replacing the mandatory establishment of the Bureau and Assistant Secretary of Consular Affairs with the creation of an administrator designated by the Secretary of State to carry out the purposes of the Act previously vested in the Assistant Secretary for Consular Affairs. Responsibilities currently vested in the Assistant Secretary would be vested in the administrator and responsibilities currently vested in the Bureau would be vested in the Department of State. The term "administrator" was chosen, rather than, for example, "official designated by the Secretary of State" simply because the Immigration and Nationality Act currently defines "administrator" as the Assistant Secretary for Consular Affairs, and then vests various responsibilities in the "administrator". This subsection would change the definition of "administrator" to "official designated by the Secretary of State". Use of the term "administrator" avoids the necessity of amending the various other sections of the INA that use that term.

Sec. 203. Envoy to the Afghan Resistance

This section would abolish the Executive Level IV position of Ambassador at Large and Envoy to the Afghan Resistance. As the former Afghan Resistance is now the government in power in Afghanistan, there is no longer any need for the special envoy position. The United States will reestablish a diplomatic presence in Kabul, with a chief of mission to conduct diplomatic relations with the new government once security conditions permit.

Sec. 204. Burdensharing

This section would repeal the statutory provision creating the position of Ambassador at Large for Burdensharing.

Sec. 205. Coordinator for International Communications and Information Policy

This section would amend 22 U.S.C. 2707 to abolish the Office of the Coordinator for International Communications and Information Policy as a Presidentially appointed (with the advice and consent of the Senate) position, with the rank of ambassador. It would assign the functions previously vested in the Coordinator to the Secretary of State. The position of Coordinator, with the rank of Ambassador, will be placed in the Bureau of Economics and Business Affairs to carry out the functions previously assigned to CIP. The provisions in subsection (b) regarding the Department's specific responsibilities for the formulation, coordination, and oversight of international communications policy are left unchanged, and a clause is added explicitly recognizing the Secretary of State's lead role in the conduct of foreign policy with respect to telecommunications issues.

Sec. 206. Refugee Affairs

This section abolishes the United States Coordinator for Refugee Affairs and makes conforming amendments. It also amends the Migration and Refugee Assistance Act to make funds available under that act available for compensation, allowances, travel and other administrative activities or expenditures to or on behalf of personnel who are working on population matters, and for the administrative expenses of the bureau charged with carrying out the Act.

Sec. 207. Office of Foreign Missions

This section would amend 22 U.S.C. 4301 to eliminate the statutory mandate for the establishment of the Office of Foreign Missions and place it within the Secretary of State's discretion. The amendment preserves the authority for a Director of such an Office appointed by the President by and with the consent of the Senate but all authorities and responsibilities currently vested in the Director and the Office would be vested in the Secretary and the Department respectively.

TITLE III—TORTURE AND TERRORISM OFFENSES AND SANCTIONS

Sec. 301. Implementation of the 1988 Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation.

Sec. 302. Amendment to Federal Aviation Act

Sections 301 and 302 implement the 1988 Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation. The legislation establishes federal jurisdiction for terrorist attacks on international airports. The Protocol was negotiated in the aftermath of the 1985 and 1986 attacks on Rome, Vienna, and Karachi airports and was approved by the Senate in 1988.

Sec. 303. Offenses of Violence Against Maritime Navigation or Fixed Platforms

This parallel legislation implements the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation and the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf. These 1988 international agreements for the prosecution or extradition of terrorists who attack maritime targets were prompted by the 1985 hijacking of the Achille Lauro in which an elderly American was killed. The Senate gave its approval in 1989.

Sec. 304. Torture Convention Implementation

This section contains the necessary legislation to implement the United Nations Convention Against Torture and Other Cruel Inhumane or Degrading Treatment or Punishment. The Senate gave its advice and consent to the Convention on October 27, 1990, after making several reservations, understandings, and declarations. The United States will not become a party to the Convention until the necessary implementing legislation is enacted. The legislation creates a new chapter 113B (Torture) in title 18, United States Code. The new chapter is composed of three sections. Section 2340 contains the definitions for "torture," "severe mental pain or suffering" and "United States". The definition of torture emanates directly from article 1 of the Convention. The definition for "severe mental pain or suffering" incorporates the understanding made by the Senate concerning this term. The term "United States" is defined to encompass the requirements of paragraph (1)(a) of article 5 of the Convention.

Section 2340A creates the federal offense of torture committed outside the United States and establishes appropriate penalties taking into account the grave nature of the offense. The section applies only to acts of torture committed outside the United States. Since "United States" is defined to include any registered United States aircraft or ship, the provision is not applicable to these particular conveyances when they are outside of the geographical territory of the United States. These places would, as would acts of torture committed within the United States, be covered by existing applicable federal and state statutes. Under section 2340A(b)(1) there is federal jurisdiction when a national of the United States commits an act of torture overseas (i.e., outside the territorial jurisdiction of the United States as defined in section 2340(3)). This jurisdiction is mandated by paragraph 1(b) of article 5 of the Convention. There is also federal jurisdiction under section 2340A(b) when an offender who committed an act of torture outside the United States is subsequently found in the United States. Federal jurisdiction is necessary in this instance in order to comply with paragraph 2 of article 5 of the Convention should the United States decide not to extradite the perpetrator under paragraph 1 of article 7 of the Convention.

Section 2340B makes it clear that the new federal provision on torture is intended to supplement existing state law and not to supplant it. Consistent with the Senate's understanding pertaining to article 14 of the Convention, the legislation does not create any private right of action for acts of torture committed outside the territory of the United States.

Sec. 305. Providing Material Support to Terrorists

This section creates a new offense of providing material support or resources, or concealing the nature, location, source or ownership of material support or resources for various terrorists-related offenses. The offenses covered include: 18 U.S.C. Sec. 32 (aircraft sabotage); 18 U.S.C. Sec. 36 (Acts of violence against various U.S. officials); 18 U.S.C. Sec. 1116 (acts against foreign officials and diplomats); 18 U.S.C. Sec. 844(f)(i) (acts against U.S. federal property); 18 U.S.C. Sec. 1203 (hostage taking); 18 U.S.C. Sec. 2280, 2281 (maritime terrorists acts); and 18 U.S.C. Sec. 2332 (terrorist acts against U.S. nationals abroad). As a result of international pressures against states which provide support to international terrorists, some terrorists groups have been seeking other means of financing and support, such as raising funds from sympathizers or establishing front companies. The offense created by this section is intended to prevent such activities and other activities in support of the specified offenses, and also to encourage other nations to take similar steps to curb the flow of financial assets to terrorists.

Sec. 306. Extension of Statute of Limitations for Certain Terrorism Offenses

This section extends the statute of limitations to ten years for certain offenses that are likely to be committed by terrorists overseas. Because of the difficulty in apprehending suspects and gaining sufficient evidence to prosecute overseas offenses, the extension of the statute of limitations is necessary to better ensure that international terrorists will be brought to justice.

For example, in the case of the bombing of the Pan Am flight over the Pacific in 1982, the key suspect, Mohammed Rashid, was not arrested and put on trial in Greece, where he was apprehended, until 1988. Of course, if the offense included within any of the listed statutes is a capital offense, no statute of limitations exists (18 U.S.C. 3281).

U.S. DEPARTMENT OF STATE,
Washington, DC, May 24, 1993.

Hon. AL GORE,
President of the Senate.

DEAR MR. PRESIDENT: In accordance with Section 15 of the Act of August 1, 1956, as amended (22 U.S.C. 2680), there is transmitted herewith proposed legislation to authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during the fiscal years 1994 and 1995 and for other purposes. A section-by-section analysis of the proposed legislation is enclosed.

The primary purposes of the bill is to provide authorization of appropriations for (1) "Administration of Foreign Affairs" which supports United States diplomatic and consular posts abroad and the Department of State in the United States; (2) "International Organizations, Conferences, and other activities," which meets obligations pursuant to treaties, conventions or specific acts of Congress and other activities; (3) "International Commissions," which enables the United States to fulfill international obligations; (4) "Migration and Refugee Assistance," which funds the United States annual contribution to various refugee assistance programs and to the International Committee of the Red Cross; and (5) other authorizations of appropriations.

The proposed legislation also provides authorities which will enable the Department to streamline its structure and decision-making process. Title II of the request contains legislation that would give the Secretary of State the ability to implement a major reorganization of the Department of State. These provisions amend and repeal certain statutes that vest authorities with subordinate officials or organizational units of the Department, and return these responsibilities to the Secretary of State to delegate as he deems appropriate. These amendments do not affect policy statements or functional authorities of the Department as reflected in current law. However, they are essential in providing the Secretary the flexibility to adjust the Department's organizational structure to better meet the needs and goals of U.S. foreign policy interests.

As was evident in earlier statements, testimony and notifications issued by the Department with regard to the reorganization plan, the Secretary intends to maintain, *inter alia*, the Bureau of Diplomatic Security with its professional Diplomatic Security Service, the Bureau for South Asian Affairs, the Bureau of Consular Affairs, the Director General, the Office of Foreign Missions, an expanded Bureau of Human Rights and Humanitarian Affairs, and the Bureau for Oceans and International Environmental and Scientific Affairs. In addition, as set forth in our notification letter to key Congressional Committees on April 3, 1993, the Secretary will assign the function of international communications and information policy to a Coordinator with ambassadorial rank within the Bureau of Economic and Business Affairs. This legislation provides the Secretary with the flexibility to reconfigure other bureau and office structures where appropriate, to take advantage of policy linkages and create a better integrated and more streamlined decision-making process in the Department.

The Omnibus Budget Reconciliation Act (OBRA) requires that all revenue and direct spending legislation meet a pay-as-you-go requirement. That is, no such bill should result in an increase in the deficit; and if it does, it will trigger a sequester if it is not fully offset. Section 141 (Retirement Eligibility for Certain Employees of International Organizations) would increase receipts. Section 113 (Expenses relating to certain International Procedures and Claims, International Litigation Fund) could affect direct spending, however, its estimated outlay effect is zero. The net effect of this draft bill is a decrease in the deficit of less than $100,000 a year.

The Office of Management and Budget advises that there is no objection to the submission of this proposed legislation to the Congress and its enactment would be in accord with the program of the President.

Sincerely,

WENDY R. SHERMAN,
Assistant Secretary,
Legislative Affairs.●

By Mr. COATS (for himself, Mr. LUGAR, and Mr. GRAMM):

S. 1105. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of individual medical savings accounts to assist in the payment of medical and long-term care expenses, to provide that the earnings on such accounts will not be taxable, to allow rollovers of such accounts into individual retirement accounts, and for other purposes; to the Committee on Finance.

INDIVIDUAL MEDICAL SAVINGS ACCOUNTS ACT OF 1993

Mr. COATS. Mr. President, today I, with my colleagues, the senior Senator from Indiana, Senator LUGAR, and Senator GRAMM of Texas, introduce S. 1105, a bill I have titled, "HealthSave." This legislation offers a simple and innovative change to the U.S. Tax Code to enhance individual responsibility and provide individuals and employers with new incentives to contain health care costs. While S. 1105 offers a solution to but one part of the health care dilemma, it does offer an overriding principle which should be considered in the upcoming, comprehensive health care debate.

In my conversations with the people of Indiana, they tell me that health care costs affect their jobs. These people have told me that high health care costs are damaging the competitiveness of businesses in Indiana and around the Nation. Hoosiers have explained to me that skyrocketing health care costs are making it more difficult for Indiana industries to compete in the world market.

Two industries at the heart of the Indiana economy, automobiles and steel, provide a case in point. Chrysler pays nearly $1,080 in health care costs for each car it produces. This adds up to over $500 more than its foreign competitors. In northern Indiana, health care costs add $19 to every ton of steel. This represents the fastest growing component of hourly production in the steel industry.

When the people of Indiana sent me back to the U.S. Senate, they did so with the following mandate on health care: challenge the status quo. I believe this change must take place without sacrificing our system's great strengths. I also believe we must find a way to make the consumer more cost conscious. If health care consumers aren't made more cost conscious, if individual behavior is not modified, then there's no incentive to contain costs.

S. 1105, HealthSave, would function similar to an individual retirement account by allowing individuals to save tax free for incidental medical expenses. Health care insurance would be used for its fundamental purpose—large medical expenses. Under HealthSave, any money left unspent would belong to the employee. Unlike section 125 of the Internal Revenue Code, at years end, any money not used for health care costs could remain in the employee's account, accrue interest tax free, and be used for future medical expenses, long-term care, or retirement.

Let me put this in human terms. One Indiana resident told me that she deducted $1,200 from her flexible spending account [FSA] for both her and her family's medical expenses. When her husband needed additional medical treatment, the cost was $3,000. Thus, within the first 3 months of 1992, the $1,200 in her flexible spending account was spent, her $600 deductible had been met, but health care coverage for the rest of the year came out of her pocket or another insurance policy.

This Hoosier resident mentioned that nearly 2 years ago, she wanted to leave several hundred dollars in her flexible spending account. However, instead of being able to apply those dollars for future medical expenses, the current Internal Revenue Code forced a choice: spend all the savings by years end or give this money back to the employer.

Clearly a change is needed. HealthSave would allow money unused over the course of a year to remain in a medical savings account for future medical costs, long-term care, or retirement.

Another example is a woman from Indianapolis who called a local hospital to find out the cost of a mammogram. When told the cost would be $250, she asked if the hospital ever offered specials. She was informed that during Mother's Day week, the price dropped to $50. She purchased the mammography during the week of Mother's Day and saved nearly $200. If HealthSave were in effect, this kind of wise consumer shopping would increase—the quality and cost savings available to health care consumers would increase accordingly. HealthSave would enable this individual to have the same financial incentive to make the right choice, live a healthy lifestyle, and choose her own doctor.

Mr. President, we must become more wise in the way we live and the way we purchase health care. We must begin to be more honest, begin to be more realistic, and begin to have the courage to

face the real causes of the health care cost dilemma. To accomplish this goal, we need to accept personal responsibility for choices that determine our health. We must realize that health services do not naturally ensure good health.

The economics are quite simple, as University of Delaware professor, Laurence S. Seidman, noted so eloquently:

> No sector can remain free of Government microregulation if its product is free to most consumers. When a product is free—when there is no consumer cost sharing—demand escalates, cost escalates, and Government must come in to try to get the sector under control * * * Like a disease, it will gradually spread to all patients.

In sum, Mr. President, I encourage health care reform that would enable people to choose their own doctors, make their own health care decisions, and give them financial incentives for a healthier lifestyle. While the legislation we are introducing does not offer a comprehensive solution to a very complex problem, it does offer the hope of important reform. HealthSave offers a way to inject the free market back into the purchase of health care. We ask that our colleagues keep these thoughts in mind as the health care debate takes place.

By Mr. DURENBERGER (for himself and Mr. DASCHLE):

S. 1106. A bill to amend certain provisions of title XVIII of the Social Security Act relating to end stage renal disease, and for other purposes; to the Committee on Finance.

END STAGE RENAL DISEASE LEGISLATION

• Mr. DURENBERGER. Mr. President, over 20 years ago Congress created the Medicare End Stage Renal Disease [ESRD] Program to provide Medicare coverage for individuals with kidney failure. It has been a successful program providing access to quality care for about 93 percent of those with ESRD. That is currently about 150,000 beneficiaries, including those on dialysis and transplant patients. Dialysis is an artificial method of performing the kidney's function of filtering blood to remove waste products. To be effective dialysis generally needs to be performed several times a week, usually three times. Without this treatment, death invariably results. Because only a small percent of ESRD patients receive kidney transplants, dialysis is the primary treatment for ESRD.

Since 1983, Medicare has reimbursed outpatient dialysis on the basis of a fixed rate prospective payment system. These rates were unchanged during the 1980's except for a $2 per treatment rate decrease in 1986. Payments have been updated once since then, by only $1 per treatment in 1991. Adjusting for inflation, dialysis reimbursement rates were nearly 65 percent lower in 1991 than they were in 1974.

The Institute of Medicine [IOM] in its study, "Kidney Failure and the Federal Government," suggested that the quality of care could be jeopardized by Medicare's reimbursement level. IOM recommended updating dialysis payments annually. Hospitals, physicians, and other medical providers receive annual inflationary updates through the Medicare Program. However, in the past 10 years, dialysis facilities have only had one $1 update. Yet general inflation, and the cost of complying with the Clinical Laboratory Improvement Amendments [CLIA], OSHA's blood borne pathogen regulation, the Americans With Disabilities Act, medical waste management regulation, and reuse water regulations have contributed to the expense of providing dialysis services. A number of rural dialysis facilities tell me that these Federal regulations will cost facilities on average about $3.45 per treatment.

In the past, inflation has been offset by savings resulting from technological change, productivity improvements, or changes in the services that constitute dialysis treatment. However, the industry has reached a point where more efficient methods can no longer account for sufficient program savings. The Prospective Payment Assessment Commission [ProPAC] has estimated that 1993 costs for dialysis services on an industry average will exceed Medicare reimbursement in 1994. They project that costs of dialysis goods and services, productivity gains, and the new technological costs will increase costs to dialysis facilities by 4.5 percent in 1994.

Some urban dialysis facilities would benefit from an extension of the Medicare secondary payer period for ESRD beneficiaries. However, this will have a negligible impact on rural units. At these units, the overwhelming majority of patients are already receiving Medicare when they initiate dialysis. This occurs because renal failure is more prevalent in an aged and debilitated population, and the rural population is generally more aged.

The Regional Kidney Disease Program in Minnesota runs 15 dialysis facilities in rural communities and Indian reservations in Minnesota, South Dakota, and Wisconsin. They tell me that over 90 percent of patients in their satellite offices are Medicare beneficiaries, while less than 70 percent of patients at their metropolitan outpatient facilities are Medicare eligible. In addition, the satellite offices receive $109.18 in revenue per treatment while costs per treatment are $118.18. The metro outpatient facilities receive $120.20 per treatment while costs are $123.12.

As costs increase and reimbursement remains stagnant, quality decreases. We need to ensure that the Medicare Program pays for quality dialysis treatment. The alternative is inefficiency—something the Medicare Program is already ill designed to prevent. To do this, my distinguished colleague from South Dakota, Mr. DASCHLE, and I are offering a three-part bill to improve productivity, quality, and access to care.

First, our bill would increase the ESRD secondary payer provision from the current 18 months to 24 months beginning January 1, 1994, through September 30, 1998. Currently, employer health plans are the primary payer for kidney treatment and other health services furnished during the first 18 months of Medicare eligibility. At the end of this time period, Medicare becomes the primary payer. The Senate passed a provision extending this time period from 12 months to 24 months in the Omnibus Budget Reconciliation Act of 1990 [OBRA '90]. The current 18-month time period was the result of conference negotiations.

Also, a recent GAO study concluded that very few dialysis patients were negatively impacted by the 1990 expansion of the secondary payer provision but that Medicare saved millions of dollars. In addition, comprehensive health care reform should eliminate any discrimination against kidney patients and their spouses in terms of access to employer-based health insurance.

Some may argue that the secondary payer provision alone will provide an adequate increase for dialysis facilities since employee group health plans typically charge more than Medicare rates. However, this is untrue in rural America. The number of patients covered by employee group health plans [EGHP's] varies substantially across geographic regions of the country as well as between urban and rural areas. Also, there are racial and ethnic differences. Those facilities serving patient populations without substantial EGHP representation will suffer no ill effect from the extension of the secondary payor provision in and of itself, but neither will they gain any benefit.

Second, we propose to increase payments to dialysis facilities by 2.5 percent beginning January 1, 1994. In OBRA '90, Congress directed ProPAC to study and provide recommendations on an appropriate change factor for updating dialysis payments. The 2.5-percent update was recommended in ProPAC's Report and Recommendations to the Congress, March 1, 1993.

Third, this bill would extend coverage of immunosuppressive drugs from 12 to 36 months on a phased-in basis. Although Medicare does not generally cover outpatient prescription drugs, the Medicare Program, under part B, does cover immunosuppressive drugs which are furnished within 1 year of an organ transplant covered by Medicare. The extended coverage is intended to ensure that effective posttransplant treatment is available to transplant recipients. The alternative to a successful transplant is to return to dialysis, thereby escalating Medicare's ESRD Program costs.

Congress directed the Institute of Medicine and the Prospective Payment Assessment Commission to study and make recommendations to Congress regarding the ESRD Program. These nonpartisan organizations have presented their recommendations. Now it is time for Congress to act. We have piled on additional costs through Federal regulations with little regard to how such actions affect quality and access to care. As we move to reform our health care delivery systems, we must preserve both access to services and the quality of care.

This bill is supported by the National Kidney Foundation, the American Nephrology Nurses Association, the Renal Physicians Association, and the National Renal Administrators Association. It is our hope that this legislation will be considered within the context of the budget reconciliation process. It produces net savings of nearly $200 million. Therefore, I urge my colleagues to join Mr. DASCHLE and me in cosponsoring this legislation.●

By Mr. ROCKEFELLER (by request):

S. 1107. A bill to amend title 38, United States Code, to authorize the inclusion in the Office of the Under Secretary for Health of the Department of Veterans Affairs of health care personnel appointed to positions in the Veterans Health Administration; to the Committee on Veterans' Affairs.

DEPARTMENT OF VETERANS AFFAIRS UNDER SECRETARY FOR HEALTH LEGISLATION

● Mr. ROCKEFELLER. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, at request of the Secretary of Veterans Affairs, S. 1107, a bill to extend the definition of the Office of the Under Secretary for Health to include certain health care positions in the Department of Veterans Affairs. The Secretary of Veterans Affairs submitted this legislation to the President of the Senate by letter dated May 19, 1993.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration-proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the transmittal letter and enclosed analysis of the draft legislation.

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

S. 1107

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

SECTION 1. OFFICE OF THE UNDER SECRETARY FOR HEALTH.

The second paragraph (8) of section 7306(a) of title 38, United States Code (relating to other personnel), is—

(1) redesignated as paragraph (9); and

(2) amended by inserting "and by chapter 74 of this title" before the period at the end.

SECRETARY OF VETERANS AFFAIRS,
Washington, DC, May 19, 1993.

Hon. ALBERT GORE, Jr.,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: We are transmitting herewith a draft bill, "To amend title 38, United States Code, to extend the definition of the Office of the Under Secretary For Health to include health care positions in the Veterans Health Administration." We request that it be referred to the appropriate committee for prompt consideration and enactment.

Before 1988, the Veterans Administration's Office of the Chief Medical Director and Department of Medicine and Surgery were established under chapter 73 of title 38, United States Code. The Office of the Chief Medical Director included specific personnel nominated as Deputy, Associate Deputy, and Assistant Chief Medical directors and other Central Office positions including "other personnel" authorized by chapter 73.

In 1988, Congress redesignated the Department of Medicine and Surgery the Veterans Health Services and Research Administration (VHS&RA). In 1991, Public Law 102-40 reorganized VHS&RA into the Veterans Health Administration under chapters 73 and 74 of the current title 38. The Office of the Chief Medical Director continued to be established under chapter 73 using similar language as under previous law to include in that office such other personnel as authorized by that chapter. Appointment authorities for title 38 health care personnel were, however, included in chapter 74 of the new title 38. Thus, the law, in effect, defined the Office of the Chief Medical Director to exclude personnel in the Veterans Health Administration, the Chief Medical Director's responsibility by law.

Further, in 1992, Public Law 102-405 redesignated the Office of the Chief Medical Director as the Office of the Under Secretary for Health. Public Law 102-405 also amended the definition of the Office of the Under Secretary for Health to include directors of professional or auxiliary services as necessary to meet the needs of the Veterans Health Administration.

The legislative history of Public Law 102-40 does not show that its provisions were intended to substantively affect the organizational structure of the Office of the now Under Secretary for Health as part of the recodification of title 38 begun in 1988. But, the current law has excluded Veterans Health Administration personnel who are not service directors from being used in policy positions in that office. If this exclusion continues, the Under Secretary for Health will lose access to substantial and valuable resources which VA management has historically drawn upon to provide policy analysis and guidance for the operation of VA's health care system.

The proposed legislation would correct that oversight by amending the definition of the Office of the Under Secretary for Health to include any personnel whose positions are authorized under chapter 73 or 74 of title 38 United States Code. It would simply reinstate the status quo as of 1988 when the Office of the Chief Medical Director included all personnel providing health care services in the then Department of Medicine and Surgery.

The proposed legislation will not result in the expenditure of any additional appropriated funds.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

JESSE BROWN.

ANALYSIS OF DRAFT BILL

The draft bill will amend section 7306 of title 38, United States Code, to include all health care professionals in the Veterans Health Administration (VHA) in the statutory definition of the Office of Under Secretary of Health. That office had included all VHA health care professionals prior to VHA's 1991 statutory reorganization, which was not intended to affect any substantive changes. The proposed bill will correct the apparent oversight which has caused the exclusion of such professionals since that reorganization.

CHANGE IN EXISTING LAW MADE BY PROPOSED BILL

Changes in existing law made by this bill are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is italic, existing law in which no changes are proposed is shown in roman):

TITLE 38

* * * * *

PART V—BOARDS, ADMINISTRATIONS, AND SERVICES

* * * * *

Chapter 73

* * * * *

§ 7306. Office of the Under Secretary for Health

(a) The Office of the Under Secretary for Health shall consist of the following:

* * * * *

(7) Such [directors of such other professional or auxiliary services as may be appointed to suit the needs of the Department, who shall be responsible to the Under Secretary for Health for the operation of their respective services] *other personnel as may be authorized by this chapter and chapter 74 of this title.*●

By Mr. BURNS (for himself and Mr. BAUCUS):

S. 1108. A bill to provide for the management of lands and recreational resources at Canyon Ferry Recreation Area, MT, and other purposes; to the Committee on Energy and Natural Resources.

THE CANYON FERRY RECREATION, TOURISM AND ECONOMIC DEVELOPMENT MANAGEMENT ACT

Mr. BURNS. Mr. President, I rise today to introduce the Canyon Ferry Recreation, Tourism and Economic Development Management Act of 1993, in conjunction with my colleague from Montana, Senator BAUCUS.

Canyon Ferry Dam and Reservoir were constructed in 1954 by the Bureau of Reclamation. Since that time, the reservoir has served as a multiple-use facility, supplying power to the great northwest power network, water for irrigation, flood control, recreation, fish

and wildlife habitat, and educational opportunities.

As with most popular recreation areas, the economic burden for management has been placed on both Federal and State entities. Most recently, the State of Montana has assumed the significant portion of these costs including replacement of facilities, operation, and maintenance.

The provisions of this bill enable the management responsibilities to be shared through a unique partnership between the Bureau of Reclamation [USBR], Bureau of Land Management [BLM] and State of Montana.

I hope that all understand what a challenge it is to get three entities together in the same room and agree upon some working document that we can manage in this area.

By providing this legislation, the recreational, tourism, and economic development needs at Canyon Ferry can be met cooperatively through interagency agreements and financial support.

Specifically, the Bureau of Reclamation and BLM may enter into cooperative agreements which enable the BLM to assume land management responsibilities. The intent for creation of Canyon Ferry is not affected by this legislation. And, the water supply, including the quantity, change in flow patterns, and manner in which water is distributed from the facility are not changed.

All of the user fees collected from the recreation area by the agencies shall be retained for exclusive funding of operation, maintenance, and improving the facility. These funds also include fees collected from cabin site permits, concessions, entrance fees, and special use fees. This approach enables the managing entity to utilize the locally collected fees to support the facility.

The cooperative agreement between the agencies is consistent with statutory authority generally exercised by the State and Federal agencies. And, the legislation offers an opportunity to utilize revenues to the advantage of everyone who has an opportunity to experience Canyon Ferry Recreation Area.

Mr. President, I ask unanimous consent that a copy 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. 1108

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 "Canyon Ferry Recreation, Tourism, and Economic Development Management Act".

SEC. 2. FINDINGS.

Congress finds and declares that—

(1) there is a Federal responsibility to provide opportunities for public recreation, tourism, and economic development at Federal water projects, in partnership with other Federal and non-Federal interests;

(2) certain provisions of the Federal Water Project Recreation Act (Public Law 89-72 as amended) unduly restrict the management of the Canyon Ferry Recreation Management Area because the provisions do not allow for the increasing economic burden that construction and management of recreational facilities are placing on managing entities, especially at the State and local levels;

(3) non-Federal responsibility for a significant portion of all costs of operation, maintenance, and replacement of facilities on federal land at the Canyon Ferry Recreation Management Area as well as total management responsibility is an unfair burden on non-Federal managers, especially in instances where the facilities are old, underdesigned, do not provide adequate access for the disabled, and are utilized by national and international publics, and responsibilities for complex fisheries reservoir management and for wildlife and wetlands management have been borne solely by the non-Federal entities, further increasing the overall management burden; and

(4) the recreational, tourism, and economic development needs at the Canyon Ferry Recreation Area can best be met through cooperative management efforts by the Bureau of Reclamation, the Bureau of Land Management, the State of Montana, and other appropriate entities.

SEC. 3. COOPERATIVE AGREEMENTS.

(a) AUTHORIZATION.—The Secretary of the Interior (hereafter in this Act referred to as the "Secretary"), acting through the Bureau of Reclamation and the Bureau of Land Management, may enter into such agreements as are necessary to carry out the purposes of this Act.

(b) CONTENTS OF AGREEMENTS.—Any management agreement entered into under this Act shall provide that the management responsibilities given to the Bureau of Land Management for lands withdrawn or acquired for reclamation purposes shall be accomplished in accordance with the statutory authority generally exercised by the Bureau of Land Management in the management of the public lands.

SEC. 4. PROTECTION OF AUTHORIZED PURPOSES OF RECLAMATION PROJECTS.

(a) NO ALTERATION OF PURPOSES OF CANYON FERRY UNIT.—Nothing in this Act is intended to change, modify, or expand the authorized purposes of the Canyon Ferry Unit.

(b) ORIGINAL PURPOSE OF CANYON FERRY DAM AND RESERVOIR UNAFFECTED.—Nothing in this Act shall change the responsibility of the Bureau of Reclamation to meet the needs for which the Canyon Ferry Dam and Reservoir were originally constructed.

(c) NO AUTHORIZATION TO AFFECT WATER SUPPLY.—This Act is not intended to authorize any action or inaction by any person, including any person who has contracted for the water supply from a reclamation project, that reduces the quantity, or modifies the time and manner of availability, of the water supply from the Canyon Ferry Unit to project beneficiaries.

SEC. 5. MANAGEMENT.

(a) MANAGEMENT UNDER THE PLAN.—The Secretary shall manage all lands and facilities in the area associated with recreation, tourism, and related economic development pursuant to the Canyon Ferry Resources Management Plan, of 1993, and any amendments thereto.

(b) EXEMPTION FROM PROVISIONS OF THE FEDERAL WATER PROJECT RECREATION ACT.—Provisions of the Federal Water Project Recreation Act (16 U.S.C. 4601-12) that limit or prescribe costs that may be incurred by Federal and non-Federal entities for recreation planning, management, or facilities, or that require non-Federal management of recreation facilities or programs do not apply to the Area.

(c) RECREATION USER FEES.—All recreation user fees collected from the Canyon Ferry Recreation Area by the managing agency(ies) shall be retained by the managing agency(ies) and used exclusively to fund the operation, maintenance, and development of the Canyon Ferry Recreation Area for recreation, tourism, and economic development. Fees collected for cabin site permits, concession operations, entrance fees, and other special use fees are all considered to be recreation user fees.

(d) CONTENTS OF AGREEMENT.—The cooperative agreements shall provide that the responsibilities given to the Bureau of Land Management for the area will be carried out in accordance with the statutory authority generally exercised by the Bureau of Land Management in the management of the public lands.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act, to remain available until expended. Especially critical are the first 10 years of the interagency project management agreement when major management, maintenance, replacement, and construction must occur.

Mr. BAUCUS. Mr. President, together with my friend and colleague from Montana, I am introducing legislation to provide for the management of lands and recreational resources at the Canyon Ferry Recreation area in Montana.

Having been raised in the Helena Valley, I know the value of Canyon Ferry to the people of Montana. Growing up, I spent my summers fishing and boating at Canyon Ferry, and my winters ice skating on the lake.

In order to continue to operate Canyon Ferry for the thousands of people who visit there each year, it is critical that the Federal Government shoulder its fair share of the responsibility over management of the area.

This legislation does just that. It serves to both upgrade the facilities of one of Montana's most important recreation areas, and continue long-term operation of this area through a cooperative agreement between the State and the Bureau of Land Management.

Under the status quo, the State has the responsibility for managing the recreation sites at Canyon Ferry Reservoir—a responsibility it is finding increasingly difficult to satisfy. The State recently informed the Bureau of Reclamation that it cannot continue to manage the area unless additional Federal funds are found and Federal agencies are willing to cooperatively manage the area.

This bill addresses those needs and strikes a compromise between the State, the Bureau of Reclamation, and the Bureau of Land Management. Under this legislation, the BLM will assume management responsibility

over recreation at Canyon Ferry. It also makes Federal funding available to maintain the recreation sites at Canyon Ferry.

This legislation enjoys widespread support in Montana. Supporters include the Lewis and Clark and Broadwater County Commissioners, the Helena and Townsend Chambers of Commerce, the Canyon Ferry Recreation Association, Trout Unlimited, Ducks Unlimited, the Good Sam Club, the Prickly Pear Sportsmen's Association, and the Broadwater Lake and Stream Improvement Association.

Recreation is of increasing importance to my State, and Canyon Ferry plans no small role in providing recreational opportunities to Montanans and tourists to Montana. This legislation makes the Federal Government a partner in the management of Canyon Ferry and ensures its continued viability to the thousands of people who swim, boat, fish and camp there each year.

By Mr. PRESSLER:

S. 1109. A bill to amend the Internal Revenue Code of 1986 to provide that the deduction for depreciation shall be computed on a neutral cost recovery basis, and for other purposes; to the Committee on Finance.

INVESTMENT TAX INCENTIVES ACT OF 1993

Mr. PRESSLER. Mr. President, I rise today as the ranking member of the Senate Small Business Committee to introduce a bill designed to help restore fairness to the U.S. Tax Code and promote increased equipment investment by businesses.

Small business owners across the country are worried about what lies on the economic horizon. Faced with the prospect of higher taxes to reduce the Federal deficit and pay for a new health care system, our Nation's entrepreneurs will be put in a catch-22: paying more taxes while increasing investment and production to create more jobs. Businesses will be buried in demands, but short on options on how to dig themselves out.

The legislation I am offering today would create a neutral cost recovery depreciation option—a plan which restores fairness to our country's tax depreciation system and provides more options for businesses by defeating inflation. Most important, it would help small businesses create jobs by helping them increase productivity and save money.

Mr. President, the current tax depreciation system allows a business to deduct the value of its plant and equipment from its taxes over a specified period of years. This is intended to provide an incentive to businesses to purchase new and better equipment. Though well intended, the current system is flawed because as businesses calculate the value of their equipment over time, they are not allowed to consider inflation. Just as inflation eats away at the value of an individual's savings over time, so it also erodes the value and effectiveness of our Nation's tax depreciation system.

Under the current income tax system, for a piece of equipment depreciated over 5 years, a business only can count 86 percent of its value. It gets worse from that point. A business only counts 74 percent of the value of a machine depreciated over 10 years, and 56 percent of the value over 20 years. Businesses lose money over time and the effectiveness of our depreciation system is reduced. My legislation would bring inflation into the equation and allow businesses to deduct the true value of their equipment. Not only is my proposal fair, but it also will help stimulate our Nation's economy. Companies would be able to recoup 100 percent of the value of their purchases, and would be able to channel that gain toward further business growth and job creation.

Many in this Chamber have spoken of the importance of maintaining a strong manufacturing base. My bill would provide a tremendous boost to the industrial sector at a time of greater global competition. Such a change in our tax depreciation system would reward those companies that modernize. My legislation also would help farmers and ranchers who rely heavily on equipment to make a profit.

Another advantage of my bill is that it would provide more options for American companies. Different companies have different needs. Some businesses may want increased cash-flow now rather than more money later. Other companies care more about the long-term and want to get the full value of their depreciation over time.

The current equipment depreciation system gives a business a large tax deduction in the first year and then trails off quickly to a trickle. It fails to give the business a full return on its investment. My bill would provide a slightly smaller deduction in the first year and then maintain a higher deduction each year. It also would give businesses the full deduction for their purchases when inflation is taken into account.

This legislation would give businesses a choice between the current system or the new system on any particular piece of equipment. If a business likes the current system and is willing to get less back over time in exchange for more up front—it could choose that option. However, if a business wants to get the full value of its purchases back—it could select that option. In short, it would give choices to the private sector, which historically makes better business decisions than the Federal Government.

Another important point concerning this legislation is that it would help the Federal Government raise revenue. I have seen estimates that my bill could raise as much as $31 billion over 4 years. This is because my bill would spread out the costs of deductions to the Federal Government over time. As I said before, my plan gives business owners a choice. Thus, if every business owner chooses neutral cost recovery, we would raise up to $31 billion. If no business owners opt for neutral cost recovery, Government revenues would remain the same. Thus, under my bill, the Government has nothing to lose, and American businesses have much to gain.

I encourage all of my colleagues to study this legislation and I invite them to join me as cosponsors.

Mr. President, I ask that a copy 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. 1109

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 "Investment Tax Incentive Act of 1993".

SEC. 2. DEPRECIATION ADJUSTMENT FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1992.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end thereof the following new subsection:

"(j) DEDUCTION ADJUSTMENT TO ALLOW EQUIVALENT OF EXPENSING FOR CERTAIN PROPERTY PLACED IN SERVICE IN TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1992.—

"(1) IN GENERAL.—In the case of tangible property placed in service in a taxable year beginning after December 31, 1992, the deduction allowable under this section with respect to such property for any taxable year (after the taxable year during which the property is placed in service) shall be—

"(A) the amount so allowable for such taxable year without regard to this subsection, multiplied by

"(B) the applicable neutral cost recovery ratio for such taxable year.

For purposes of subparagraph (A), paragraphs (1) and (2) of section 168(b) shall be applied by substituting '150 percent' for '200 percent'.

"(2) APPLICABLE NEUTRAL COST RECOVERY RATIO.—For purposes of paragraph (1), the applicable neutral cost recovery ratio for any taxable year is the number determined by—

"(A) dividing—

"(i) the gross national product deflator for the calendar quarter ending in such taxable year which corresponds to the calendar quarter during which the property was placed in service by the taxpayer, by

"(ii) the gross national product deflator for the calendar quarter during which the property was placed in service by the taxpayer, and

"(B) then multiplying the number determined under subparagraph (A) by the number equal to 1.035 to the nth power where 'n' is the number of full years in the period beginning on the 1st day of the calendar quarter during which the property was placed in service by the taxpayer and ending on the

day before the beginning of the corresponding calendar quarter ending during such taxable year.

The applicable neutral cost recovery ratio shall not be taken into account unless it is greater than 1. The applicable neutral cost recovery ratio shall be rounded to the nearest one-tenth of 1 percent.

"(3) GROSS NATIONAL PRODUCT DEFLATOR.—For purposes of paragraph (2), the gross national product deflator for any calendar quarter is the implicit price deflator for the gross national product for such quarter (as shown in the first revision thereof).

"(4) ELECTION NOT TO HAVE SUBSECTION APPLY.—This subsection shall not apply to any property if the taxpayer elects not to have this subsection apply to such property. Such an election, once made, shall be irrevocable."

(b) MINIMUM TAX TREATMENT.—Paragraph (1) of section 56(a) of such Code is amended by adding at the end thereof the following new subparagraph:

"(E) USE OF NEUTRAL COST RECOVERY RATIO.—In the case of tangible property placed in service in a taxable year beginning after December 31, 1992, the deduction allowable under this paragraph with respect to such property for any taxable year (after the taxable year during which the property is placed in service) shall be—

"(i) the amount so allowable for such taxable year without regard to this subparagraph, multiplied by

"(ii) the applicable neutral cost recovery ratio for such taxable year (as determined under section 168(j)).

This subparagraph shall not apply to any property with respect to which there is an election in effect not to have section 168(j) apply."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

SEC. 3. REPEAL OF SPECIAL DEPRECIATION RULES APPLICABLE UNDER THE ADJUSTED CURRENT EARNINGS PROVISIONS OF THE MINIMUM TAX.

(a) IN GENERAL.—Subparagraph (A) of section 56(g)(4) of the Internal Revenue Code of 1986 (relating to adjustments) is amended to read as follows:

"(A) DEPRECIATION.—

"(i) IN GENERAL.—The depreciation deduction with respect to any property for any taxable year beginning after December 31, 1992, shall be the same as the depreciation deduction allowable in computing alternative minimum taxable income for such taxable year.

"(ii) BASIS RULES.—Notwithstanding clause (i), the adjusted basis of any depreciable property held by the taxpayer as of the beginning of the taxpayer's first taxable year beginning after December 31, 1992, shall be determined as if the provisions of clause (i) had also applied to taxable years beginning in 1990, 1991, and 1992.

"(iii) LOST BASIS RECOVERED OVER 5 YEARS.—The amount determined under clause (iv) shall be allowed as a deduction ratably over the 60-month period beginning with the first month of the taxpayer's first taxable year beginning after December 31, 1992.

"(iv) AMOUNT OF LOST BASIS.—The amount determined under this clause is the excess of—

"(I) the aggregate adjusted bases of depreciable property held by the taxpayer as of the beginning of the taxpayer's first taxable year beginning after December 31, 1992, which would have been determined (as of such time) under clause (i) without regard to clause (ii), over

"(II) the aggregate adjusted bases of such property (as of such time) as determined under the rules of clause (ii)."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1992.

By Mr. AKAKA:

S. 1110. A bill to provide for a National Biological Survey, and for other purposes; to the Committee on Environment and Public Works.

THE NATIONAL BIOLOGICAL SURVEY ACT OF 1993

• Mr. AKAKA. Mr. President, today I am introducing legislation to direct the Secretary of the Interior to establish the National Biological Survey. The purpose of this new entity will be to gather, analyze, and disseminate biological information necessary to promote wise stewardship of the living resources of the United States. The National Biological Survey will ensure that comprehensive and high-quality science is the foundation for informed and timely natural resource decisions at the Department of the Interior. It will serve as an early warning system for potential conflicts between economic development and ecosystem decline.

This bill stems from my conversations with Secretary Babbitt during his confirmation hearing last January. At that time we discussed the need to improve the quality of science which the Federal Government relies upon to manage the living resources of our Nation. We also spoke of the benefit of undertaking a comprehensive and ongoing inventory of the biological resources of the United States. This bill is an outgrowth of those discussions.

The National Biological Survey [NBS] represents a bold, new venture to obtain the fundamental scientific knowledge our country needs to properly balance the goals of ecosystem management and economic progress. Under this initiative, the Federal Government would commence a national survey to develop broad scale biological information on species and the ecosystems that support them. Special emphasis will be given to species in decline.

The need for broader and more timely information about the living resources of the United States is readily apparent in the numerous controversies and associated economic dislocations surrounding endangered species decisions. Legislatures and agencies at all levels of Government lack scientific information and analysis necessary to solve natural resource conflicts and avoid future resource problems. A National Biological Survey would address this need by serving as an independent, nonregulatory source of information about the living resources of the United States. Secretary Babbitt has given his assurance that the NBS will be a source of objective scientific information and analysis, and not advocacy.

The scope of this legislation is far-reaching. The National Biological Survey will survey, map, and catalog species and ecosystems across the Nation. Through this effort, we will compile the baseline data necessary to allow Federal, State, and local resource managers to achieve wise stewardship of our natural resources and anticipate and respond to emerging problems when species begin to disappear. The goal will be to assemble this information well before resource problems turn into the next spotted owl controversy.

Thus, the NBS will be responsible for a coordinated inventory and monitoring program to assess the overall status and trends in the abundance, health, and distribution of plants and animals, as well as the ecosystems upon which they depend. Through the NBS we will identify, in a proactive fashion, chronic declines of species and natural habitats. NBS research will enable land and resource managers to adopt ecosystem-based management strategies to protect potentially imperiled species.

The goal is to intervene earlier, with less drastic measures, in order to prevent conflicts between species protection and economic development from reaching crisis proportions. My hope is that the National Biological Survey will allow us to sustain economic development and achieve species protection. This is the ecological equivalent of having our cake and eating it too.

As well as providing sizable benefits for Federal, State, and local resource managers, data collected on biological resources through the survey may itself become a source of economic opportunity. The pharmaceutical industry turns to plants and animals as a source for 35 percent of all prescription drugs. Yet only a fraction of plant and animal species have been analyzed for their potential medicinal value.

The data developed through the National Biological Survey will therefore be a valuable resource to medical researchers. The survey would provide information on the location, abundance, and characteristics of plants and animals throughout the United States. This data base would become an essential tool in the search for new drugs from nature.

In addition to requiring the Secretary of the Interior to monitor and analyze the status of living resources of the United States, a central data base for information on the Nation's living resources would be established. Data from other Federal, State, and private organizations would be incorporated into this information base. The Secretary would also be required to identify deficiencies in the availability of data on living resources, and organize field surveys and research designed to eliminate such deficiencies.

The bill would also require the Secretary of the Interior to develop and

test new methods of ecosystem management so that resource management decisions can be made in a more prudent, timely, and efficient manner.

By establishing the National Biological Survey and consolidating many of the Department of the Interior's research functions within this new entity, we will achieve a number of important objectives. First, overlap and duplication among the various bureaus within the Department that conduct biological research will be reduced. The quality of the Department's biological research will improve, and the research product will be delivered at a lower cost.

Second, a proactive biological science program will be established that will enable land and resource managers to develop comprehensive ecosystem management strategies, thus avoiding the economic dislocation and protracted conflict associated with a number of past and ongoing Endangered Species Act controversies. The goal of the NBS is to perform directed research that is anticipatory, rather than reactive. Land and resource managers will receive more timely and objective scientific information to guide their decisionmaking.

Third, the Department's biological research program will receive new focus and leadership, thereby enhancing the likelihood that land managers will have confidence in research results.

Finally, the NBS will foster greater understanding of biological systems and the benefits they provide to society.

With each passing day, our awareness of human impact upon the diversity and interdependence of life grows stronger. The issues of habitat preservation, resource management, and conservation of our living resources are receiving greater and greater prominence. Through the National Biological Survey, we can halt the decline of many species, and the ecosystems that support them, so that the Federal Government doesn't have to take the drastic step of declaring them threatened or endangered.

Mr. President, I ask unanimous consent that the text of the National Biological Survey Act be printed in the RECORD.

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

S. 1110

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 "National Biological Survey 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 and purpose.
Sec. 3. Definitions.

TITLE I—NATIONAL BIOLOGICAL SURVEY

Sec. 101. National Biological Survey.
Sec. 102. Critical biological concerns.
Sec. 103. National Biological Survey Science Council.
Sec. 104. National Biological Survey Policy Board.
Sec. 105. Donations.
Sec. 106. Wetlands inventory.
Sec. 107. Authorization of appropriations.

TITLE II—RESOURCE MANAGEMENT TRAINING

Sec. 201. Natural resource management training.
Sec. 202. Confidentiality of information concerning location of candidate, threatened, or endangered species.
Sec. 203. Access to private property.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) comprehensive and high quality scientific research and analysis at the Department of the Interior must be the foundation for informed and timely natural resource decisionmaking;

(2) the need for broader and more timely information about the living resources of the United States has been readily apparent in the numerous controversies and potential economic dislocations surrounding decisions concerning endangered species;

(3) legislatures and agencies at all levels of government lack the scientific information and analysis necessary to solve national, regional, and local natural resource conflicts, and to avoid future resource problems; and

(4) the Federal Government needs an independent, nonregulatory source of information about the living resources of the United States.

(b) PURPOSE.—The purpose of this Act is to provide a national focus for biological research and monitoring of the living resources of the United States through the establishment of a National Biological Survey.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) BOARD.—The term "Board" means the National Biological Survey Policy Board established under section 104.

(2) COUNCIL.—The term "Council" means the National Biological Survey Science Council established under section 103.

(3) DEPARTMENT.—The term "Department" means the Department of the Interior.

(4) FEDERAL, STATE, OR LOCAL AGENCY.—The term "Federal, State, or local agency" means a unit of Federal, State, local, or tribal government that manages or regulates land, water, or wildlife resources.

(5) LIVING RESOURCES.—The term "living resources" means the full range of variety and variability within and among organisms and the ecological complexes in which the organisms occur (including the waters of the United States). The term includes ecosystem or community diversity, species diversity, and genetic diversity.

(6) NONPROFIT ORGANIZATION.—The term "nonprofit organization" means—

(A) an institution of higher education, a nonprofit scientific or private organization, or a natural history museum, that maintains or uses land, water, or wildlife resources; or

(B) a nonprofit professional biological society or a private nonprofit organization that identifies, protects, or maintains living resources.

(7) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(8) SURVEY.—The term "Survey" means the National Biological Survey established under section 101.

TITLE I—NATIONAL BIOLOGICAL SURVEY

SEC. 101. NATIONAL BIOLOGICAL SURVEY.

(a) ESTABLISHMENT; PURPOSE.—

(1) EXISTING ACTIVITIES.—The Secretary shall establish a National Biological Survey to—

(A) consolidate and enhance biological research activities of the Department that are in existence on the date of enactment of this Act;

(B) gather, analyze, and disseminate biological information necessary for the wise stewardship of the living resources of the United States; and

(C) foster a greater understanding of the biological systems and benefits that the living resources provide.

(2) OTHER ACTIVITIES.—The Secretary shall combine with the Survey such other biological research, inventory, and monitoring functions of the Department as the Secretary determines necessary or appropriate to provide sound scientific guidance for the management of Federal lands and natural resources.

(3) DIRECTOR.—The survey shall be headed by a Director. With the advice and consent of the Senate, the Secretary shall appoint a Director from among individuals with academic training and expertise in the biological sciences. The Director shall report to the Assistant Secretary of the Interior for Fish and Wildlife and Parks.

(4) ASSISTANT SECRETARY.—

(A) IN GENERAL.—Section 3(a) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742b(a)) is amended by adding at the end the following new sentence: "The Director of the United States Fish and Wildlife Service, the Director of the National Park Service, and the Director of the National Biological Survey shall be subject to the supervision of the Assistant Secretary for Fish and Wildlife and Parks.".

(B) CONFORMING AMENDMENTS.—Sections 3, 7(a), and 9(a) of such Act (16 U.S.C. 742b, 742f(a), and 742g(a)) are each amended by striking "Assistant Secretary for Fish and Wildlife" each place it appears (other than in the last sentence of section 3(a)) and inserting "Assistant Secretary for Fish and Wildlife and Parks".

(b) DUTIES OF THE SECRETARY.—

(1) IN GENERAL.—The Secretary, acting through the Director, shall—

(A) inventory, monitor, and report on the distribution, abundance, health, status, and trends of the living resources of the United States;

(B) establish a cooperative network of Federal, State, and local agencies and nonprofit organizations to assist the Survey in collecting and maintaining data concerning the distribution, abundance, health, status, and trends of the living resources of the United States;

(C) develop protocols and methods for the consistent and systematic collection and analysis of data concerning living resources;

(D) establish and maintain systems for managing information on the living resources of the United States and obtain data from other Federal, State, and local agencies and nonprofit organizations for incorporation into the information systems;

(E) establish methods to disseminate the information referred to in subparagraph (D) to agencies, organizations, and individuals concerned with the care, use, and conservation of the living resources of the United States;

(F) identify deficiencies with respect to information concerning the distribution, abundance, health, status, and trends of the living resources of the United States, and organize field surveys and research designed to eliminate the deficiencies;

(G) monitor the effects of ecosystem management;

(H) engage in technology development and transfer that will enable resource managers in Federal, State, and local agencies and nonprofit organizations to develop comprehensive ecosystem management strategies, respond to resource problems, and make resource management decisions in a timely and efficient manner;

(I) integrate information related to advances in technology development relevant to the biological diversity of the United States into the information systems referred to in subparagraph (D);

(J) provide financial assistance (including awarding a grant) to, or offer to enter into a contract with, appropriate Federal, State, or local agencies or nonprofit organizations to carry out biological diversity research, inventorying, monitoring, and information transfer;

(K) provide technical assistance on a reimbursable or nonreimbursable basis to Federal, State, or local agencies and nonprofit organizations that collect and maintain information concerning the living resources of the United States;

(L) engage in cooperative research, inventorying, monitoring, scientific exchange, and data dissemination with other countries and foreign organizations regarding living resources; and

(M) prepare a biennial report for public distribution on the distribution, abundance, health, status, and trends of the living resources of the United States.

(2) USE OF EXISTING DATA.—To the extent practicable, in carrying out the duties of the Secretary identified in paragraph (1), the Director shall obtain and use data from all available sources.

(3) AVOIDANCE OF DUPLICATION OF DATA.—In making a determination to provide financial assistance, or in offering to enter into a contract pursuant to subparagraphs (J) and (K) of paragraph (1), the Director shall take such action as may be necessary to ensure that the data generated in association with the financial assistance, or pursuant to the contract, does not duplicate then current data available to the Secretary from other sources.

SEC. 102. CRITICAL BIOLOGICAL CONCERNS.

The Secretary shall use information developed through the Survey to direct resources and respond to the most critical biological resource concerns of the United States, as determined by the Secretary.

SEC. 103. NATIONAL BIOLOGICAL SURVEY SCIENCE COUNCIL.

(a) ESTABLISHMENT.—The Secretary shall establish an advisory board to be known as the "National Biological Survey Science Council".

(b) MEMBERSHIP.—

(1) APPOINTMENTS.—The Secretary shall appoint 17 members to the Council, including a Chairperson. The Director shall recommend members for appointment to the Council from among—

(A) individuals who use biological diversity data; and

(B) individuals who generate biological diversity data.

(2) COMPOSITION.—The members of the Council shall include representatives of—

(A) Federal, State, or local agencies; and

(B) nonprofit organizations.

(3) PERIOD OF APPOINTMENT; VACANCIES.—Members of the Council shall be appointed for a term of 3 years. Any vacancy in the Council shall not affect the powers of the Council, but shall be made in the same manner as the initial appointment was made.

(4) INITIAL MEETING.—Not later than 120 days after the date of enactment of this Act, the initial meeting of the Council shall be held at the call of the Chairperson.

(c) DUTIES OF THE COUNCIL.—The Council shall recommend policies to the Director concerning—

(1) research and data collection undertaken by the Survey;

(2) methods of improving coordination with research entities outside of the Department;

(3) establishing and maintaining systems for managing information collected by the Survey;

(4) making the information collected by the Survey available to other Federal, State, and local agencies and nonprofit organizations;

(5) quality control functions;

(6) scientific trends related to the activities of the Survey;

(7) the financial and technical needs of the Survey;

(8) providing the financial and technical assistance referred to in subparagraphs (J) and (K) of section 101(b)(1);

(9) ensuring that the agenda of the Survey fully reflects critical biological resource concerns of the United States; and

(10) developing collaborative relationships for biological science with Federal, State, and local agencies and nonprofit organizations.

(d) REPORTS.—The Chairperson of the Council shall prepare and submit to the Director such reports as the Director determines appropriate to assist the Director in carrying out this Act.

(e) COMPENSATION.—Members of the Council shall serve without compensation, except that while away from home or a regular place of business, each member who is not otherwise employed by the Federal Government may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

SEC. 104. NATIONAL BIOLOGICAL SURVEY POLICY BOARD.

(a) ESTABLISHMENT.—The Secretary shall establish a policy board to be known as the "National Biological Survey Policy Board".

(b) MEMBERSHIP.—The Secretary shall appoint the members of the Board, including a Chairperson. The Secretary shall appoint 1 senior representative of each of the bureaus of the Department to serve on the Board. The Secretary may appoint members from other Federal agencies to serve on the Board.

(c) DUTIES OF THE BOARD.—The Board shall—

(1) offer guidance to the Survey concerning the potential effects of biological science on policies carried out by the Survey; and

(2) identify priorities for the Survey in order to facilitate the production of data that is useful for resource managers.

SEC. 105. DONATIONS.

(a) IN GENERAL.—The Secretary, acting through the Director, is authorized to accept for use by the Survey—

(1) lands, buildings, equipment, and other contributions, either cash or in-kind, from public and private sources, and to carry out projects in cooperation with other Federal, State, or local agencies and private organizations; and

(2) the services of individuals or entities, without compensation (except that the Secretary, acting through the Director, may provide for the incidental expenses of volunteers, including transportation, lodging, and subsistence).

(b) VOLUNTEERS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a volunteer who provides services pursuant to subsection (a)(2) shall not be deemed a Federal employee, and shall not be subject to the provisions of law relating to Federal employment.

(2) EXCEPTION.—For the purposes of section 1346(b) and chapter 171 of title 28, United States Code, a volunteer under this subsection shall be considered a Federal employee.

SEC. 106. WETLANDS INVENTORY.

Notwithstanding section 401(a) of the Emergency Wetlands Resources Act of 1986 (16 U.S.C. 3931(a)), the Secretary is authorized to act through the Director in carrying out the activities of the National Wetlands Inventory Project referred to in such subsection.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department such funds as may be necessary to carry out this Act.

TITLE II—RESOURCE MANAGEMENT TRAINING

SEC. 201. NATURAL RESOURCE MANAGEMENT TRAINING.

(a) IN GENERAL.—The Director is authorized to develop and implement a program of natural resource management training for Federal, State, local, and private natural resource managers and graduate students in institutions of higher education who wish to become natural resource managers.

(b) CONTENTS OF TRAINING PROGRAMS.—The training programs shall include—

(1) techniques of collecting and maintaining data concerning the distribution, abundance, health, status, and trends of the living resources of the United States;

(2) strategies for comprehensive ecosystem management that respond to natural resource issues in a timely and efficient manner; and

(3) other areas of training that the Director considers appropriate.

SEC. 202. CONFIDENTIALITY OF INFORMATION CONCERNING LOCATION OF CANDIDATE, THREATENED, OR ENDANGERED SPECIES.

(a) DISCLOSURE OF INFORMATION.—Information concerning the location of any candidate, threatened, or endangered species, as described in the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), may not be made available to the public under subchapter II of chapter 5 of title 5, United States Code, or under any other provision of law, unless the Secretary determines that the disclosure would—

(1) further the purposes of this Act or the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(2) not create a risk of harm to the species or to the site at which the species is located; and

(3) not violate the terms of any confidentiality agreement that was a basis for receiving the information.

(b) REQUEST FOR DISCLOSURE BY GOVERNORS.—Notwithstanding subsection (a), if the Governor of a State submits a written request to the Secretary for the location of a site within the State of the Governor in which a candidate, threatened, or endangered species is located, and the request states—

(1) the specific site or area for which the Governor is seeking information;

(2) the purpose for which the Governor is seeking the information; and

(3) a commitment by the Governor to protect the confidentiality of the information to the extent necessary to prevent harm or commercial exploitation of the species or the site at which the species is located,

the Secretary shall provide the Governor the requested information concerning the location of the species within the State, unless the Secretary determines that the release would violate the terms of a confidentiality agreement that was a basis for receiving the information.

SEC. 203. ACCESS TO PRIVATE PROPERTY.

The Secretary may—

(1) enter into an agreement with an owner or manager of private land or water to provide a basis for the study of living resources on the land or water; and

(2) as a condition of the access referred to in paragraph (1), agree to indemnify and hold harmless the owner or manager from all actions undertaken as a part of or related to the study without regard to the availability of appropriations for the purpose referred to in this paragraph.•

By Mr. KERREY (for himself, Mr. MCCAIN, and Mr. KERRY):

S. 1111. A bill to authorize the minting of coins to commemorate the Vietnam Veterans Memorial in Washington, DC; to the Committee on Banking, Housing, and Urban Affairs.

COMMEMORATIVE COIN FOR THE VIETNAM WAR MEMORIAL

• Mr. KERREY. Mr. President, I introduce legislation that authorizes the creation and minting of commemorative coins for the Vietnam Veterans Memorial, located here in Washington, DC. I am joined in this effort by Senators JOHN MCCAIN and JOHN KERRY.

Mr. President, there should be little doubt about this memorial's importance in our Nation's capital. For the past 10 years, the Vietnam Veterans Memorial has become the most popular and most visited memorial in Washington, DC. This past Veterans Day, veterans from all over the country, including many Nebraska veterans, came to mark the memorial's 10th anniversary. During the ceremony, I had the distinct honor of reading names that are inscribed on the Wall. In reading the names of Americans listed on the Wall and watching the faces of those who survived that difficult time in our Nation's history, it became clear to me that this memorial has played a significant role in healing our Nation's wounds and welcoming home those who served during the Vietnam war.

The Vietnam Memorial was created and continues to be maintained through private donations. This bill does not shift the responsibility of caring for the memorial, but will ensure that the Vietnam Veterans Memorial Fund has the resources to continue to care for and maintain the memorial.

Additionally, I wish to point out that this bill does not impose any costs to the Federal Government. Profits generated by the sale of the coins would fully offset the Government's costs, with the remaining proceeds being used to establish a permanent endowment to ensure the long-term preservation and repair of this national monument.

Representatives DAVID BONIOR and TOM RIDGE have agreed to sponsor this legislation in the House of Representatives.

I urge all of my colleagues here in the Senate to cosponsor this legislation.•

By Mr. HOLLINGS:

S. 1112. A bill to grant a Federal charter to the Congressional Medal of Honor Museum of the United States; to the Committee on the Judiciary.

CONGRESSIONAL MEDAL OF HONOR MUSEUM FEDERAL CHARTER

• Mr. HOLLINGS. Mr. President, I introduce legislation which will grant the Congressional Medal of Honor Museum a Federal charter. The Congressional Medal of Honor Museum is a nonprofit corporation located in Mount Pleasant, SC, aboard the U.S.S. *Yorktown* at Patriots Point Naval and Maritime Museum.

One of the museum's objectives is to preserve the memory and history of the Medal of Honor recipients. We all know the extraordinary heroism and bravery demonstrated by these men and women, and I commend the museum for honoring them. It also serves to educate the citizens of the United States on the value of the Congressional Medal and to inspire the youth of our Nation to strive toward the excellence the Medal of Honor exemplifies.

The Congressional Medal of Honor Museum is a meritorious organization deserving of a Federal charter. This legislation does not require congressional appropriations or any expense to the taxpayers. It serves to recognize an outstanding museum that has promoted allegiance to the Government of the United States of America and to its Constitution and has inspired our youth to become worthy citizens of our country.

I hope that Senators will assist me in passing this bill which will enable the Congressional Medal of Honor Museum to receive the distinction it deserves.

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. 1112

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

SECTION 1. RECOGNITION AS CORPORATION AND GRANT OF FEDERAL CHARTER.

The Congressional Medal of Honor Museum of the United States, a nonprofit corporation organized under the laws of the State of New York, is recognized as such and is granted a Federal charter.

SEC. 2. POWERS.

The Congressional Medal of Honor Museum of the United States (in this Act referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State in which it is incorporated and subject to the laws of such State.

SEC. 3. OBJECTS AND PURPOSES.

The objects and purposes of the corporation are those provided for in its bylaws and articles of incorporation and shall include the following:

(1) Preserving the memory and history of medal of honor recipients.

(2) Preserving artifacts and records of medal of honor recipients that are donated or loaned to the museum in order to honor the memory and history of such recipients, to display such artifacts and records for educational purposes, and to encourage research relating to such artifacts and records.

(3) Educating the people of the United States on the value of the medal of honor.

(4) Inspiring and stimulating the youth of the United States to become worthy citizens of the United States.

SEC. 4. SERVICE OF PROCESS.

With respect to service of process, the corporation shall comply with the laws of the State in which it is incorporated and those States in which it carries on its activities in the furtherance of its corporate purposes.

SEC. 5. MEMBERSHIP.

Except as provided in section 8, eligibility for membership in the corporation and the rights and privileges of members of the corporation shall be as provided in the articles of incorporation and bylaws of the corporation.

SEC. 6. BOARD OF DIRECTORS.

Except as provided in section 8, the composition of the board of directors of the corporation and the responsibilities of such board shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

SEC. 7. OFFICERS OF CORPORATION.

Except as provided in section 8, the positions of officers of the corporation and the election of members to such positions shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State in which it is incorporated.

SEC. 8. PROHIBITION AGAINST DISCRIMINATION.

In establishing the conditions of membership in the corporation and in determining the requirements for serving on the board of directors or as an officer of the corporation, the corporation may not discriminate on the basis of race, color, religion, sex, handicap, age, or national origin.

SEC. 9. RESTRICTIONS.

(a) INCOME AND COMPENSATION.—No part of the income or assets of the corporation may inure to the benefit of any member, officer, or director of the corporation or be distributed to any such individual during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) LOANS.—The corporation may not make any loan to any officer, director, or employee of the corporation.

(c) STOCK.—The corporation shall have no power to issue any shares of stock or to declare or pay any dividends.

(d) CONGRESSIONAL APPROVAL.—The corporation shall not claim congressional approval or the authorization of the Federal Government for any of its activities by reason of this Act.

SEC. 10. LIABILITY.

The corporation shall be liable for the acts of its officers and agents whenever such officers and agents have acted within the scope of their authority.

SEC. 11. BOOKS AND RECORDS.

The corporation shall keep correct and complete books and records of account and minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep, at its principal office, a record of the names and addresses of all members having the right to vote in any proceeding of the corporation. All books and records of such corporation may be inspected by any member having the right to vote in any corporation proceeding, or by any agent or attorney of such member, for any proper purpose at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

SEC. 12. AUDIT OF FINANCIAL TRANSACTIONS.

The first section of the Act entitled "An Act to provide for the audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end the following:

"(77) The Congressional Medal of Honor Museum of the United States.".

SEC. 13. ANNUAL REPORT.

The corporation shall report annually to Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as the report of the audit required by section 2 of the Act referred to in section 12. The report shall not be printed as a public document.

SEC. 14. RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER.

The right to alter, amend, or repeal this Act is expressly reserved to Congress.

SEC. 15. TAX-EXEMPT STATUS.

The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986. If the corporation fails to maintain such status, the charter granted by this Act shall expire.

SEC. 16. TERMINATION.

The charter granted by this Act shall expire if the corporation fails to comply with—

(1) any restriction or other provision of this Act;

(2) any provision of its bylaws or articles of incorporation; or

(3) any provision of the laws of the State of New York that apply to corporations such as the corporation recognized under this Act.

SEC. 17. DEFINITION.

For the purposes of this Act, the term "State" includes the District of Columbia, the commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.●

By Mr. KENNEDY (for himself, Mrs. KASSEBAUM, Mr. RIEGLE, and Mr. LEVIN):

S. 1113. A bill to amend title XII of the Public Health Service Act to revise and extend trauma care programs, and for other purposes.

TRAUMA CARE AMENDMENTS ACT OF 1993

Mr. KENNEDY. Mr. President, I am pleased to introduce the Trauma Care Amendments Act of 1993. This legislation will reauthorize the Trauma Care Systems Planning and Development Act of 1990 (Public Law 101-590), thereby continuing and improving the development of regional trauma systems.

According to the General Accounting Office, injury kills more people under the age of 45 than any other single cause. Research demonstrates that doctors can save lives and improve outcomes if the victim of a traumatic injury begins to receive medical attention care in the first hour or so after injury. But the closure of trauma centers in the United States is making it less feasible for critically injured people to reach appropriate care in time.

The nature of traumatic injury is changing. Penetrating injuries, such as gunshot or stab wounds associated with crime- and drug-related violence are increasingly prevalent in urban areas. In rural areas, the most common sources of fatal injury in rural areas are still farm-related, but a victim of unintentional injury is more likely to die in a rural area than in an urban areas because of the lack of a coordinated trauma care system.

Medical science has made significant advances in the treatment of traumatic injuries. But these technological advances are illusory if victims do not have access to a trauma center in the first place.

Trauma centers offer comprehensive and appropriate care in a properly equipped setting. A hospital emergency room does not always have the equipment or trained personnel to treat life-threatening injuries. According to the American College of Surgeons, the development of a health care system which specifically incorporates trauma care can significantly reduce deaths due to injury. For example, Washington, DC, experienced a 50-percent reduction in trauma deaths following the development of its trauma care system.

The current trauma program fosters the development of trauma care systems by conducting and supporting research, training, evaluation, and demonstration projects. The Secretary also oversees a clearinghouse to share information among agencies and individuals involved in trauma care as well as collecting and disseminating information on the achievements and problems of entities involved in trauma care.

There is also a special program for carrying out research and demonstration projects in rural communities to support, among other things, the development of model curricula for training emergency medical personnel and improving the use of communications technology.

States are required to formulate State plans for the provision of emergency medical services in a trauma care system. To receive Federal funding, a State must develop a trauma care plan that takes into account national standards for the designation of trauma centers and for patient triage, transfer, and transportation polices.

The pending reauthorization bill incorporates several minor improvements to the original legislation. These are detailed in the accompanying section-by-section analysis.

At the suggestion of my colleague from Kansas, the ranking member of the Labor and Human Resources Committee, the bill also directs the GAO to ascertain the extent of Federal emergency medical services and trauma care activities and to determine if unnecessary duplication exists. GAO will make recommendations on the need and feasibility of consolidating the programs.

Funds for this program are authorized at $25 million for fiscal year 1994.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

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

S. 1113

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

SECTION 1. SHORT TITLE.

This title may be cited as the "Trauma Care Amendments Act of 1993".

SEC. 2. ADVISORY COUNCIL ON TRAUMA CARE SYSTEMS.

(a) MEMBERSHIP.—Section 1202(c) of the Public Health Service Act (42 U.S.C. 300d-1(c)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking "12" and inserting "13";

(B) in subparagraph (D), by striking "and" at the end thereof;

(C) in subparagraph (E), by striking the period and inserting "; and"; and

(D) by adding at the end thereof the following new subparagraph:

"(F) 1 shall be an individual who has been a trauma patient at a designated trauma center."; and

(2) in paragraphs (3), by striking "25 percent" and inserting "at least 4".

(b) TERMS.—Section 1202(d) of such Act (42 U.S.C. 300d-1(d)) is amended by adding at the end thereof the following new paragraph:

"(3) TRAUMA PATIENT.—A member appointed to serve on the Council under subsection (c)(1)(F), including the initial member appointed under such subsection, shall be appointed for a term of 4 years.".

(c) MEETINGS.—Section 1202(g) of such Act (42 U.S.C. 300d-1(g)) is amended to read as follows:

"(g) MEETINGS.—The Council shall meet not less than once each year, and if the Chair determines necessary, up to four times each year.".

SEC. 3. REQUIREMENTS.

Section 1213(a)(11) of the Public Health Service Act (42 U.S.C. 300d-13(a)(11)) is amended by striking "any standard metropolitan statistical area" and inserting "a border, with respect to State areas in which logical geographic groupings across State borders would be appropriate to carry out the purposes of this title".

SEC. 4. FUNDING.

Section 1232(a) of the Public Health Service Act (42 U.S.C. 300d-32(a)) is amended—

(1) by striking "$60,000,000 for fiscal year 1991" and inserting "$25,000,000 for fiscal year 1994"; and

(2) by striking "1992 and 1993" and inserting "1995, 1996 and 1997".

SEC. 5. TECHNICAL AMENDMENTS.

Title XII of the Public Health Service Act is amended—

(1) in section 1212(a)(2)(A) (42 U.S.C. 300d-12(a)(2)(A)), by striking "1211(c)" and inserting "1211(b)";

(2) in section 1213(a) (42 U.S.C. 300d-13(a))—

(A) by striking "to provide" in paragraphs (8) and (9) and inserting "provides"; and

(B) by striking "to conduct" in paragraph (10) and inserting "conducts";

(3) in section 1213(c) (42 U.S.C. 300d-13(c)), by striking "6,000" in the matter following paragraph (4) and inserting "6"; and

(4) in section 1231(3) (42 U.S.C. 300d-31), by striking "Puerto Rico;" and inserting "Puerto Rico,".

SEC. 6. STUDY CONCERNING FEDERAL DUPLICATION OF EMS AND TRAUMA CARE ACTIVITIES.

(a) STUDY.—The General Accounting Office shall conduct a study to determine the extent and desirability of the duplication of Federal emergency medical services and trauma care activities. Within such study the General Accounting Office shall—

(1) describe existing emergency medical service and trauma care programs located within—

(A) the Federal Emergency Management Agency;

(B) the General Services Administration;

(C) the Department of Agriculture;

(D) the Department of Defense;

(E) the Department of Health and Human Services;

(F) the Department of Transportation;

(G) the Department of Veterans Affairs;

(H) the Federal Interagency Committee on Emergency Medical Services; or

(I) any other relevant entities;

with respect to the purpose of each program, the amount of resources allocated for each program and its respective grant or contract programs for State, local, or nonprofit entities;

(2) examine each program described in paragraph (1) to determine if there is a duplication of emergency medical service and trauma care programs resulting in economic and service inefficiencies;

(3) develop recommendations on the feasibility of consolidating all programs described in paragraph (1) into one Federal department or a smaller number of entities to limit the duplication of such programs and enhance financial and service efficiency for Federal emergency medical service and trauma care programs;

(4) develop recommendations, if a consolidation described in paragraph (3) is warranted, concerning which emergency medical service and trauma care programs should continue and the appropriate entity or entities to administer each such program based upon the mission and expertise of such entity or entities;

(5) develop recommendations concerning which Federal entity should be the lead agency for emergency medical service and trauma care programs in the Federal Government, to be responsible for—

(A) administering programs for emergency medical service and trauma care programs;

(B) acting as the first point of Federal contact for all local, nonprofit and State entities in regard to all Federal emergency medical service and trauma care programs;

(C) administering the emergency medical service and trauma care information clearinghouse for the use of all Federal, State, local, and nonprofit entities;

(D) coordinating all Federal emergency medical service and trauma care programs;

(E) serving as the Chair of an interagency committee on emergency medical service, in the event such an entity is recommended to exist for the consolidated emergency medical service and trauma care programs; and

(F) assuming other roles relevant to a lead agency as determined appropriate by the General Accounting Office; and

(6) develop recommendations for mechanisms to ensure that the lead Federal entity described in paragraph (5) has power sufficient to coordinate and prevent the duplication of Federal emergency medical service and trauma care programs.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the General Accounting Office shall prepare and submit to the appropriate committees of Congress a report concerning the study conducted under subsection (a) and the recommendations made under such study.

SECTION-BY-SECTION ANALYSIS

SEC. 1. SHORT TITLE

This act is entitled the Trauma Care Amendments of 1993.

SEC. 2. ADVISORY COUNCIL ON TRAUMA CARE SYSTEMS

This section expands the Advisory Council from 12 to 13 and requires that the additional member have been a patient at a designated trauma center.

SEC. 3. REQUIREMENTS

This section clarifies the regional nature of trauma care by specifying that a "region" for purposes of the Act can cross state lines, particularly in a rural area.

SEC. 4. FUNDING

This section authorizes $25 million for the program in FY94. $60 million had been authorized in the original Act, but that funding level appears to be unrealistic in light of current fiscal constraints.

SEC. 5. TECHNICAL AMENDMENTS

This section consists of technical amendments.

SEC. 6. STUDY CONCERNING FEDERAL DUPLICATION OF EMS AND TRAUMA CARE SERVICES

This section mandates a GAO study which will ascertain the extent of Federal emergency medical services and trauma care activities and determine if unnecessary duplication exists. GAO will make recommendations on the need and feasibility of consolidating the programs.

By Mr. BAUCUS (for himself and Mr. CHAFEE):

S. 114. A bill to amend and reauthorize the Federal Water Pollution Control Act, and for other purposes; to the Committee on Environment and Public Works.

WATER POLLUTION PREVENTION AND CONTROL ACT OF 1993

Mr. BAUCUS. Mr. President, today Senator CHAFEE and I are introducing the Water Pollution Prevention and Control Act of 1993. The bill is intended to provide a solid, bipartisan starting point for hearings and committee deliberation as we begin our effort to bring a Clean Water Act reauthorization bill to the Senate floor later this year.

Our goal is simple. We want to improve the Clean Water Act. We want to achieve environmental progress. We want to restore the quality of all of our Nation's waters. At the same time, we want to do so in a way that reflects the lessons we have learned in the Environment and Public Works Committee's series of hearings to take stock of our environmental laws: we want to achieve environmental progress through the use of sound science and sound economics, and we want to give State and local governments the resources to match their responsibilities.

To accomplish this, our bill, titled the Water Pollution Prevention and Control Act, would increase the Federal contribution to the State sewage treatment loan funds, expand the projects eligible for loans, and improve the allocation formula. It would encourage pollution prevention planning and impose tighter limits on toxic pollution. It would establish new programs for controlling nonpoint source pollution and watershed planning. It would improve programs for controlling municipal pollution from combined sewer overflows and stormwater discharges. And it would establish tougher enforcement provisions and otherwise improve the operation of the water pollution control program.

By way of background, the Clean Water Act was originally enacted in 1972, at a time when, as Senator Muskie then said,

> The rivers of this country serve as little more than sewers to the seas. Waste from cities and towns, from farms and forests, from mining and manufacturing, foul the streams, poison the estuaries, [and] threaten the life of the ocean depths.

As enacted in 1972 and amended in 1977, 1981, and 1987, the Act has three basic elements. First, it encourages the construction of publicly owned waste treatment works by providing Federal grants to enable States to operate revolving loan funds to support the construction of such works. Second, it authorizes EPA to set and enforce technology-based effluent limitations. Third, it requires States to designate the appropriate uses for their waters and then establish ambient quality criteria that protect those uses.

Since 1972, these three elements of the Clean Water Act have enabled us to achieve great progress. In most cases, our rivers no longer are sewers to the seas. In fact, EPA estimates that 87 percent of industrial and 85 percent of municipal sources are in substantial compliance with discharge permits under the act. We have spent hundreds of billions of dollars to abate water pollution, including $60 billion in Federal funds to aid cities in building facilities to treat municipal sewage.

But, despite this progress, major problems remain. EPA and States have

identified $80 billion in unmet, unfunded needs for sewage projects to comply with the act.

Controls on point sources have reduced loadings of some conventional pollutants, but many rivers and lakes still have water quality problems.

At least one-third of our waters are impaired by conventional or toxic pollutants and are not capable of supporting uses for which they have been designated.

More than 25 percent of rivers are impaired by heavy metals, organic chemicals, and pesticides, as are nearly 50 percent of lakes—including most of the shoreline miles of the Great Lakes—and 15 percent of estuaries.

Industrial sources discharge large amounts of toxic chemicals directly to rivers, lakes, estuaries, and other waterbodies, as well as indirectly through sewers.

And nonpoint pollution, from diffuse sources such as construction sites, timberland, urban runoff, and farms, impairs a significant percentage or our rivers and lakes.

These are major problems. And they defy simple solutions. In fact, last year Senator Muskie, the principle sponsor of the original act, told our committee that, as we begin to write a new Clean Water Act, we now face "more complex, subtle, and politically challenging problems" than he and his colleagues faced a generation ago.

Indeed, the Clean Water Act reauthorization debate may be a microcosm of the general debate about how best to protect the environment. During the Clean Water Act reauthorization debate, we must consider how to encourage pollution prevention.

We must consider how to stimulate the development of cutting-edge environmental technology.

We must consider how to encourage cooperation rather than confrontation.

We must consider how to improve the relationship between Congress and the EPA and between the Federal and State governments.

And we must build on successful strategies designed to regulate straight pipe discharges from a factory and develop strategies designed to influence millions of independent decisions by developers, construction companies, farmers, ranchers, and even homeowners that, taken together, have a significant effect on water quality.

The Water Pollution Prevention and Control Act that Senator CHAFEE and I are introducing today is designed to help us consider these issues as we strive to achieve further environmental progress. It will not satisfy those on the extremes of the environmental debate. It is not intended to make a statement. It is designed to take a balanced, cooperative approach that enables us to provide meaningful solutions to our Nation's environmental problems.

KEY PROVISIONS

Let me briefly describe the provisions of our bill. First of all, it increases the authorized level of appropriations to the State revolving funds to $2.5 billion in 1994, increasing $500 million per year until the authorized level for appropriations reaches $5 billion in 2000. The increases in the out years are tied to the achievement of deficit reduction targets.

A new funding formula will be established based on an updated biannual EPA needs assessment. Wastewater treatment plants, stormwater systems, combined sewer overflows, and nonpoint source pollution controls will be considered in the needs assessment.

To enable States to focus on a wider range of water pollution problems, the list of eligible projects is expanded to include combined sewer overflows, stormwater, nonpoint pollution, animal waste management, and subsurface sewage disposal.

In addition, States are permitted to use State revolving funds to reduce costs to disadvantaged communities and to count technical and management assistance to small communities toward their 20 percent State match.

The bill establishes a new pollution prevention planning initiative and requires EPA to identify 20 chemicals warranting intensive pollution prevention efforts for which dischargers are to develop pollution prevention plans for reducing these and other pollutants.

The bill expands EPA authority to establish industrial effluent guidelines, including looking at in-plant process changes, preventing pollutant shifting to other media, and upgrading standards for conventional pollutants. EPA is to develop a plan for reviewing and revising the guidelines.

EPA is also required to develop a list of highly bioaccumulative and toxic pollutants. Discharges of pollutants on the list are to be phased out over a 5-year period, unless no safe substitutes or treatment are available.

The water quality standards program will be significantly improved by requiring EPA to: develop a comprehensive 5-year plan for reviewing and revising existing criteria and issuing appropriate new criteria; limit the use of mixing zones; improve the use of pesticide registration and TSCA information; and issue criteria for pathogens, Ph, and oil and grease; issue no fewer than eight criteria for contaminants in sediment.

The bill improves the pretreatment program by clarifying the removal credit authority, limiting use of the domestic sewer exclusion, and allowing EPA to control indirect discharges to publicly owned treatment works.

The bill proposes a new initiative for voluntary watershed planning to correct pollution in impaired water. States may identify impaired waters and watersheds and develop watershed plans to assure that water quality goals are met. Significant percentages of loan funds are reserved for projects in watershed areas, and watershed plans allow the adjustment of pollution requirements for points and nonpoint sources.

Existing State nonpoint pollution control plans are to be revised and upgraded to address new activities causing water pollution, to prescribe best management practices for new uses, and to require site-specific management plans for existing agricultural sources in impaired watersheds. Funding for nonpoint programs is increased substantially, and these funds are made available as cost-share grants to implement site-specific water quality plans.

The bill adopts the EPA draft policy for control of overflows from combined storm and sanitary sewers. The bill adds long-range deadlines of up to 15 years for complying with water quality standards and requires minimum standards for bacterial contamination.

Stormwater permits issued for large and mid-sized communities beginning 3 years after enactment of the bill will be developed to assure compliance with national guidance on management measures and written to assure compliance with water quality standards. The obligation for stormwater discharge permits for most small communities is eliminated.

The bill expands enforcement authority in the areas of citizen suits, appropriate penalties and compensation, emergency powers for the EPA Administrator, and better enforcement at Federal facilities.

Several improvements are proposed to the discharge permit program including a new permit fee, requirements for reopening of permits, and requirements for early permit applications for new discharges.

The bill also contains provisions addressing various other issues such as technology development, clean water education, State certification, Indian programs, and the National Estuaries Program.

Mr. President, I know that many of my colleagues are interested in the regulation and protection of wetlands under section 404 of the Clean Water Act. The bill we are introducing today does not yet address those issues. But they will be addressed by the committee during the Clean Water Act reauthorization debate.

Senator CHAFEE and I are working on a separate piece of wetlands legislation, which we hope to introduce in several weeks. The legislation has four goals.

The first is to improve the protection of wetlands and other waters that are needed to achieve the goals of the Clean Water Act.

The second is to simplify the regulation of wetland activities, making it

more predictable and reducing delays in permit processing.

The third is to develop stronger partnerships among Federal, State, and local agencies in the regulation, management, and protection of wetlands.

The fourth is to assist small landowners with the regulatory process and improve public understanding of the program.

Senator GRAHAM's Clean Water, Fisheries, and Wildlife Subcommittee will hold a hearing on this wetlands legislation and related issues on July 28, and wetlands legislation will be combined with the Clean Water Act reauthorization bill later this year during the committee markup process.

Mr. President, this bill is just a starting point. But I consider it a very solid starting point. The bill is balanced. It's bipartisan. And it's been developed in close consultation with the administration.

I am particularly pleased that the bill is cosponsored by Senator CHAFEE. He is, of course, the ranking Republican member of the Environment and Public Works Committee. But he also is the principal author of some of our Nation's most significant water pollution control legislation, including the 1987 amendments to the Clean Water Act.

I look forward to working with Senator CHAFEE, subcommittee Chairman GRAHAM, the administration, and all Members to pass a strong Clean Water Act this year.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section summary be printed at an appropriate place in the RECORD.

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

S. 1114

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; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the "Water Pollution Prevention and Control Act of 1993".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents; references.
Sec. 2. Findings and purpose.
TITLE I—WATER PROGRAM FUNDING
Sec. 101. State revolving loan funds.
Sec. 102. State program grants.
Sec. 103. General program authorizations.
TITLE II—TOXIC POLLUTION PREVENTION AND CONTROL
Sec. 201. Point source technology based controls.
Sec. 202. Water quality criteria and standards.
Sec. 203. Toxic pollutant phase-out.
Sec. 204. Pretreatment program.
Sec. 205. Pollution prevention planning.
TITLE III—WATERSHED PLANNING AND NONPOINT POLLUTION CONTROL
Sec. 301. Water quality monitoring.
Sec. 302. Comprehensive watershed management.
Sec. 303. Impaired waters identification.
Sec. 304. Nonpoint pollution control.
TITLE IV—MUNICIPAL POLLUTION CONTROL
Sec. 401. Combined sewer overflows.
Sec. 402. Stormwater management.
Sec. 403. Water conservation.
TITLE V—PERMIT PROGRAM AND ENFORCEMENT
Sec. 501. Permit fees.
Sec. 502. Permit program modifications.
Sec. 503. Enforcement.
TITLE VI—PROGRAM MANAGEMENT
Sec. 601. Technology development.
Sec. 602. State certification.
Sec. 603. Reports to Congress.
Sec. 604. Definitions.
Sec. 605. Indian programs.
Sec. 606. Clean water education.
Sec. 607. National estuary program.

(c) REFERENCES TO THE FEDERAL WATER POLLUTION CONTROL ACT.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), except to the extent otherwise specifically provided.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Over the past 20 years, the Federal Water Pollution Control Act has resulted in great progress towards achieving the goal Congress established when Congress enacted such Act in 1972: "to restore and maintain the chemical, physical, and biological integrity of the Nation's waters".

(2) Despite this progress, significant water pollution problems remain. Thirty percent of the waters of the United States suffer varying degrees of water quality impairments, toxic pollutants remain a significant threat to aquatic systems and to human health, and pollution from nonpoint sources accounts for significant impairments.

(3) There is a substantial need for water quality projects throughout the country. The cost of sewage treatment projects is estimated to be $80,000,000,000.

(4) In order to achieve further progress, additional resources must be made available to State and municipal governments, including increased financial assistance for water quality projects and increased program support through permit fees.

(5) Substantial opportunities exist to improve water pollution control by using new water pollution control strategies, such as pollution prevention planning, water conservation, the development of innovative pollution control technology, comprehensive watershed planning, and programs that protect the physical and biological properties of aquatic systems.

(6) Substantial opportunities exist to improve water pollution control by improving the operation of existing programs that apply to toxic pollutants, including pollutant criteria and standards, effluent guidelines, pretreatment standards, and the authority to phase out certain toxic pollutants.

(7) Substantial opportunities exist to improve water pollution control by addressing pollution from nonpoint sources, such as construction, forestry, and agriculture, particularly through the use of watershed planning, targeted control measures, and financial assistance.

(8) Pollution from overflows from combined storm and sanitary sewers and from stormwater discharges continues to cause significant water quality impairments. A long-range strategy for control of these discharges, which recognizes financial constraints, is necessary.

(9) All dischargers to the waters of the United States, including Federal agencies, have an obligation to comply with water quality laws. More can be done to ensure that enforcement by Federal and State governments and citizen groups is prompt and effective.

(b) PURPOSE.—The purpose of this Act is to reauthorize the Federal Water Pollution Control Act in order to provide expanded assistance to State governments, address remaining water pollution control problems, employ new pollution control strategies, and improve overall water program implementation.

TITLE I—WATER PROGRAM FUNDING

SEC. 101. STATE REVOLVING LOAN FUNDS.

(a) GRANTS TO STATES FOR ESTABLISHMENT OF REVOLVING FUNDS.—

(1) IN GENERAL.—Subsection (a) of section 601 (33 U.S.C. 1381(a)) is amended to read as follows:

"(a) GENERAL AUTHORITY.—Subject to this title, the Administrator shall make capitalization grants to each State for the purpose of establishing a water pollution control revolving fund.".

(2) PROJECTS ELIGIBLE FOR ASSISTANCE.—Subsection (c) of section 603 (33 U.S.C. 1383(c)) is amended to read as follows:

"(c) PROJECTS ELIGIBLE FOR ASSISTANCE.—

"(1) IN GENERAL.—The funds available to each State water pollution control revolving fund (referred to in this section as the 'fund') may be used only for providing assistance, for projects with respect to which the principal purpose is protecting and improving water quality, to a municipality, intermunicipal agency, interstate agency, State agency, or individual, to carry out 1 or more of the following activities:

"(A) The construction of a publicly owned treatment works, as defined in section 212.

"(B) Implementing an approved management program under section 319.

"(C) Implementing an approved conservation and management plan under section 320.

"(D) Implementing a combined stormwater and sanitary sewer overflow elimination program.

"(E) Providing assistance to a subsurface sewage disposal management organization approved by the Administrator pursuant to section 319.

"(F) Carrying out projects identified in a watershed plan prepared pursuant to section 321.

"(G) Implementing a Lakewide Management Plan or Remedial Action Plan developed pursuant to section 118.

"(H) Implementing a lake protection project developed pursuant to section 314.

"(I) Constructing an animal waste management facility approved pursuant to section 319.

"(2) LIMITATION OF ASSISTANCE.—

"(A) DISCHARGE ACTIVITIES.—Assistance provided under this subsection to an individual for an activity related to a discharge shall be limited to an activity not otherwise required by this or other Federal law.

"(B) OTHER ACTIVITIES.—Assistance provided under this subsection for projects eligible pursuant to subparagraphs (F) through (I) of paragraph (1) shall be limited to projects that are consistent with a watershed plan prepared under section 321.

"(3) REVOLVING FUND.—The fund shall be established, maintained, and credited with repayments, and the fund shall be available in perpetuity for assisting eligible projects.

"(4) ASSISTANCE FOR CONSTRUCTING PUBLICLY OWNED TREATMENT WORKS.—Assistance provided pursuant to subparagraphs (A) and (D) of paragraph (1) may include the cost of obtaining any necessary land, easement, or right-of-way with respect to which the recipient of assistance is not the owner (at the time of receipt of assistance) that is directly related to the treatment plant or outfall of a publicly owned treatment works, except that the amount provided as assistance may not exceed the assessed value of the land, easement, or right-of-way.".

(b) CAPITALIZATION GRANTS.—

(1) SPECIFIC REQUIREMENTS FOR CAPITALIZATION GRANT AGREEMENTS.—

(A) CAPITALIZATION GRANT AGREEMENTS.—Section 602(b)(6) (33 U.S.C. 1382(b)(6)) is amended—

(i) by striking "1995" and inserting "2001";

(ii) by striking "201(g)(1), 201(g)(2),"; and

(iii) by striking "201(g)(6)".

(B) GRANTS FOR CONSTRUCTION OF TREATMENT WORKS.—Section 201 (33 U.S.C. 1281) is amended—

(i) in subsection (g)(5), by adding at the end the following new sentence: "Notwithstanding any other provision of this paragraph, the Administrator may deem that the requirements of this paragraph have been met by a treatment works that serves 10,000 or fewer individuals if the treatment works has considered a group of alternatives described by the Administrator in guidance documents."; and

(ii) in subsection (o), in the matter preceding paragraph (1), by inserting after "assist applicants for grant assistance under this title" the following: "(except for any applicant for grant assistance for a publicly owned treatment works that serves 10,000 or fewer individuals)".

(C) STATE SHARE.—The first sentence of section 204(b)(1)(A) (33 U.S.C. 1284(b)(1)(A)) is amended by striking "proportionate".

(2) DEDICATED SOURCE.—Section 603(d)(1)(C) (33 U.S.C. 1383(d)(1)(C)) is amended by inserting "for a project eligible under subparagraph (A), (D), or (E) of subsection (c)(1)" after "a loan".

(3) CONSISTENCY WITH PLANNING REQUIREMENTS.—Section 603(f) (33 U.S.C. 1383(f)) is amended—

(A) by striking "is consistent with" and inserting "is not inconsistent with"; and

(B) by striking "and 320" and inserting "320, and 321".

(c) TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.—Section 602 (33 U.S.C. 1382) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by inserting "except as provided in subsection (c)," before "the State will deposit"; and

(B) in paragraph (3), by inserting "except as provided in subsection (c)," before "the State will enter"; and

(2) by adding at the end the following new subsection:

"(c) TECHNICAL ASSISTANCE FOR SMALL SYSTEMS.—

"(1) DEFINITIONS.—As used in this subsection:

"(A) SMALL SYSTEM.—The term 'small system' means a publicly owned treatment works or a subsurface sewage disposal system that serves 10,000 or fewer individuals.

"(B) TECHNICAL ASSISTANCE.—The term 'technical assistance' includes technical and financial management assistance provided by a State to a small system. The term includes assistance provided by a State for the planning and design of a small system (referred to in this subsection as 'facility planning and design').

"(2) VALUE OF PLANNING AND DESIGN ASSISTANCE.—The value of planning and design assistance provided to a small system shall be repaid as part of any loan provided to the small system pursuant to this title.

"(3) TECHNICAL ASSISTANCE.—

"(A) IN GENERAL.—

"(i) OFFSET.—Subject to subparagraphs (B) and (C), each State may reduce the amount that would otherwise be required to be deposited by the State as State matching funds under subsection (b)(2) by the amount equal to the value of technical assistance provided by the State, from funds made available by the State.

"(ii) TREATMENT OF OFFSET WITH RESPECT TO BINDING COMMITMENTS.—Each State may reduce the amount of assistance provided in accordance with binding commitments that would otherwise be required under subsection (b)(3) by an amount equal to the value of the offset of State matching funds made pursuant to this paragraph.

"(B) MAXIMUM OFFSET.—For each State, the total amount of the offset of State matching funds made pursuant to this paragraph for a fiscal year may not exceed the greater of—

"(i) an amount equal to 2 percent of the amount of the capitalization grant received by the State pursuant to this section; or

"(ii) $100,000.

"(C) ASSISTANCE FOR PLANNING AND DESIGN.—To provide assistance for a small system that does not receive a loan under this title, the State may use a portion of the amount referred to in subparagraph (B) to provide a grant for facility planning and design. The amount of the grant award may not exceed 50 percent of the cost of the facility planning and design.".

(d) ASSISTANCE FOR DISADVANTAGED COMMUNITIES.—Subsection (h) of section 603 (33 U.S.C. 1383(h)) is amended to read as follows:

"(h) ASSISTANCE FOR DISADVANTAGED COMMUNITIES.—

"(1) DISADVANTAGED COMMUNITY DEFINED. As used in this subsection; the term 'disadvantaged community' means the service area of a publicly owned treatment works with respect to which the average annual residential sewage treatment charges for a user of the treatment works (referred to in this subsection as 'average annual residential user charges') is an amount greater than 1.5 percent of the median household income for the service area.

"(2) LOAN FORGIVENESS.—In any case in which the State makes a loan pursuant to subsection (d)(1) to a disadvantaged community or to a community that the State expects to become a disadvantaged community, the State may forgive an amount of the principal of the loan not to exceed the amount of forgiveness required to ensure that the average annual residential user charges for the service area of the publicly owned treatment works that is the subject of the loan does not exceed 1.5 percent of the median household income for the service area.

"(3) GRANT OR LOAN AMOUNT.—The total amount of loan forgiveness made by a State pursuant to paragraph (2) to a disadvantaged community or to a community that the State expects to become a disadvantaged community may not exceed $20,000,000.

"(4) TOTAL AMOUNT OF LOAN FORGIVENESS.—For each fiscal year, the total amount of loan forgiveness made by a State pursuant to paragraph (2) may not exceed 20 percent of the amount of the capitalization grant received by the State for the year.".

(e) WATER POLLUTION CONTROL REVOLVING LOAN FUNDS.—

(1) GRANTS TO CERTAIN STATES.—Section 603 (42 U.S.C. 1383) is amended by adding at the end the following new subsection:

"(i) ASSISTANCE TO CERTAIN STATES.—

"(1) IN GENERAL.—The sums authorized to be appropriated for capitalization grants under this title to American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Republic of Palau (pending ratification of the Compact of Free Association), the United States Virgin Islands, and the District of Columbia may be used for construction grants under title II at the request of the chief executive of the entity.

"(2) REQUIREMENTS FOR PUBLICLY OWNED TREATMENT WORKS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), each publicly owned treatment works that receives assistance under this subsection shall be required to meet the requirements of this Act in the same manner as is required for each publicly owned treatment works that receives assistance under title II.

"(B) EXCEPTION.—In the case of a publicly owned treatment works in the District of Columbia, the matching percentage required under title II shall be 20 percent.".

(2) ADMINISTRATIVE COSTS.—Section 603(d)(7) (33 U.S.C. 1383(d)(7)) is amended by inserting before the period at the end the following: ", or, at the request of the State and with the approval of the Administrator, ½ percent of the sum of the total amount of the capitalization grants made to the State under this title and funds deposited by the State from sums made available by the State by appropriations".

(3) RESERVATION OF FUNDS.—The first sentence of section 205(g)(1) (33 U.S.C. 1285(g)(1)) is amended by striking "ending before October 1, 1994" and inserting "ending before October 1, 1997".

(f) ALLOTMENT OF FUNDS.—

(1) IN GENERAL.—Subsection (a) of section 604 (33 U.S.C. 1384(a)) is amended to read as follows:

"(a) ALLOTMENT.—

"(1) AMOUNT ALLOTTED IN ACCORDANCE WITH SECTION 205(c).—

"(A) IN GENERAL.—The applicable percentage of the amounts made available by appropriation to carry out this section for each of fiscal years 1995 through 2000 shall be allotted by the Administrator in accordance with section 205(c).

"(B) APPLICABLE PERCENTAGE.—The applicable percentage referred to in subparagraph (A) shall be—

"(i) 60 percent for fiscal year 1995;

"(ii) 40 percent for fiscal year 1996;

"(iii) 20 percent for fiscal year 1997; and

"(iv) 0 percent for each of fiscal years 1998 through 2000.

"(2) AMOUNT ALLOTTED IN ACCORDANCE WITH NEW FORMULAS.—

"(A) GENERAL ALLOTMENT.—

"(i) IN GENERAL.—The applicable percentage of the amounts made available by appropriation to carry out this section for each of fiscal years 1995 through 2000 shall be allotted by the Administrator in accordance with a formula that the Administrator shall establish pursuant to this subparagraph.

"(ii) APPLICABLE PERCENTAGE.—The applicable percentage referred to in clause (i) shall be—

"(I) 40 percent for fiscal year 1995;

"(II) 55 percent for fiscal year 1996;
"(III) 70 percent for fiscal year 1997;
"(IV) 85 percent for fiscal year 1998;
"(V) 80 percent for fiscal year 1999; and
"(VI) 75 percent for fiscal year 2000.
"(iii) FORMULA.—
"(I) IN GENERAL.—Not later than October 1, 1994, and every 2 years thereafter through October 1, 2000, the Administrator shall, by regulation, establish a formula for allotting the amounts referred to in clause (i).
"(II) CRITERIA FOR FORMULA.—Each formula referred to in clause (i) shall provide for—
"(aa) the allotment to each State of an amount that bears the same ratio to the amounts made available for allotment under this subparagraph as the total amount of costs of projects eligible for assistance under section 603(c)(1) for the State bears to the total amount of costs of projects eligible for assistance under section 603(c)(1) for all States; and
"(bb) the adjustment of the amounts allotted pursuant to item (aa) to meet the requirements of paragraph (3).
"(B) ALLOTMENT FOR WATERSHED MANAGEMENT AND PLANNING.—
"(i) IN GENERAL.—The applicable percentage of the amounts made available by appropriation to carry out this section for each of fiscal years 1995 through 2000 shall be allotted by the Administrator for watershed planning and management under section 321 in accordance with a formula that the Administrator shall establish pursuant to this subparagraph.
"(ii) APPLICABLE PERCENTAGE.—The applicable percentage referred to in clause (i) shall be—
"(I) 5 percent for fiscal year 1996;
"(II) 10 percent for fiscal year 1997;
"(III) 15 percent for fiscal year 1998;
"(IV) 20 percent for fiscal year 1999; and
"(V) 25 percent for fiscal year 2000.
"(iii) FORMULA.—
"(I) IN GENERAL.—Not later than October 1, 1994, and every 2 years thereafter through October 1, 2000, the Administrator shall, by regulation, establish a formula for allotting the amounts referred to in clause (i).
"(II) CRITERIA FOR FORMULA.—Each formula referred to in clause (i) shall provide for—
"(aa) the allotment to each State of an amount that bears the same ratio to the amounts made available for allotment under this subparagraph as the total amount of costs of projects eligible for assistance under section 603(c)(1)(F) for the State bears to the total amount of costs of projects eligible for assistance under section 603(c)(1)(F) for all States; and
"(bb) the adjustment of the amounts allotted pursuant to item (aa) to meet the requirements of paragraph (3).
"(3) MINIMUM ALLOTMENT.—
"(A) IN GENERAL.—Except as provided in subparagraph (B), the minimum percentage amount of the amounts made available by appropriation to carry out this section for each of fiscal years 1995 through 2000 allotted to each of the 50 States shall be ½ percent.
"(B) CERTAIN TERRITORIES.—
"(i) IN GENERAL.—A total amount equal to the amount specified in clause (ii) shall be allotted among the following:
"(I) American Samoa.
"(II) Guam.
"(III) The Commonwealth of the Northern Mariana Islands.
"(IV) The Republic of Palau (pending ratification of the Compact of Free Association).
"(V) The United States Virgin Islands.
"(ii) AMOUNT SPECIFIED.—The total amount allotted pursuant to clause (i) shall be not less than ⅓ percent of the amounts made available by appropriation to carry out this section for each of fiscal years 1995 through 2000.".
(2) PLANNING FUNDS.—Subsection (b) of section 604 (33 U.S.C. 1384(b)) is amended to read as follows:
"(b) RESERVATION OF FUNDS FOR PLANNING.—To carry out planning under sections 205(j)(2), 303(e), and 321, each State shall reserve for each fiscal year the greater of—
"(1) an amount not to exceed 3 percent of the funds allotted to the State under this section for the fiscal year; or
"(2) $250,000.".
(3) USE OF UNOBLIGATED FUNDS.—Section 604(c) (33 U.S.C. 1384(c)) is amended by striking paragraph (2) and inserting the following new paragraph:
"(2) USE OF UNOBLIGATED FUNDS.—
"(A) IN GENERAL.—Any unobligated amount of any allotment to a State on the last day of the 2-year period of availability established under paragraph (1), shall be deposited in an unobligated funds account in the Treasury of the United States.
"(B) GRANTS.—Amounts in the account referred to in subparagraph (A) shall be available to the Administrator to award grants to fund 100 percent of the cost of a modification or replacement of any innovative process or technology funded under title II.
"(C) CRITERIA FOR GRANT AWARDS.—The Administrator may award a grant under this paragraph on the basis of a finding that the process or technology has not met design performance specifications and has significantly increased capitalization or operation maintenance costs, unless the failure of the process or technology to meet the specifications is attributable to negligence on the part of a person.".
(g) ALTERNATIVE USE OF FUNDS.—Section 602(b)(3) (33 U.S.C. 1382(b)(3)) is amended by striking "120" and inserting "200".
(h) AUTHORIZATION OF APPROPRIATIONS.—Section 607 (33 U.S.C. 1387) is amended—
(1) by striking "There is authorized" and inserting "(a) IN GENERAL.—Except as provided in subsection (b), there are authorized";
(2) in subsection (a) (as so designated)—
(A) in paragraph (4), by striking "and" at the end;
(B) in paragraph (5), by striking the period at the end and inserting "; and"; and
(C) by adding at the end the following new paragraph:
"(6) $2,500,000,000 for each of fiscal years 1995 through 2000."; and
(3) by adding at the end the following new subsection:
"(b) DEFICIT REDUCTION.—
"(1) FISCAL YEARS 1996 THROUGH 1998.—If, with respect to any of fiscal years 1996 through 1998, the estimate of the on-budget deficit contained in the most recent mid-session review of the budget prepared pursuant to section 1106 of title 31, United States Code, does not exceed the on-budget deficit specified for the fiscal year in section 2 of the conference report to accompany House Concurrent Resolution 64, setting forth the congressional budget of the United States Government for fiscal years 1994 through 1998, as passed by the Senate on April 1, 1993, the amount authorized to be appropriated under subsection (a) for the fiscal year shall be increased by—
"(A) for fiscal year 1996, $500,000,000;
"(B) for fiscal year 1997, $1,000,000,000; and
"(C) for fiscal year 1998, $1,500,000,000.
"(2) FISCAL YEARS 1999 AND 2000.—If, with respect to fiscal year 1999 or 2000, the estimate of the on-budget deficit contained in the most recent mid-session review of the budget prepared pursuant to section 1106 of title 31, United States Code, does not exceed the estimate for the preceding fiscal year, the amount authorized to be appropriated under subsection (a) for the fiscal year shall be increased by—
"(A) for fiscal year 1999, $2,000,000,000; and
"(B) for fiscal year 2000, $2,500,000,000.".
(i) CONSTRUCTION GRANTS.—
(1) AMENDMENTS TO TITLE II.—Title II (33 U.S.C. 1281 et seq.) is amended—
(A) in section 205(c)(3) (33 U.S.C. 1285(c)(3))—
(i) in the paragraph heading, by striking "1987–1990" and inserting "1987–2000"; and
(ii) by striking "1987, 1988, 1989, and 1990" and inserting "1987 through 2000"; and
(B) in section 218(c) (33 U.S.C. 1298(c)), by striking "$10,000,000" and inserting "$20,000,000".
(2) CONSTRUCTION GRANTS.—The matter under the heading "CONSTRUCTION GRANTS" under the heading "ENVIRONMENTAL PROTECTION AGENCY" in title III of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990 (Public Law 101–144; 103 Stat. 858) is amended by striking all after "Ware Shoals, South Carolina" and inserting a period.

SEC. 102. STATE PROGRAM GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 106(a) (33 U.S.C. 1256(a)) is amended—
(1) by inserting after "(a)" the following new subsection heading: "AUTHORIZATION OF APPROPRIATIONS.—";
(2) in paragraph (1), by striking "and" at the end;
(3) in paragraph (2)—
(A) by inserting "and" after "1990;"; and
(B) by striking "for grants to States" and all that follows through the end of the paragraph; and
(4) by adding at the end the following new paragraphs:
"(3) such sums as may be necessary for each of fiscal years 1991 through 1994; and
"(4) $150,000,000 for each of fiscal years 1995 through 2000.".
(b) STATE PROGRAM.—Subsection (b) of section 106 (33 U.S.C. 1256(b)) is amended to read as follows:
"(b) STATE PROGRAM.—From the sums made available pursuant to subsection (a), the Administrator shall make grants to the States and to interstate agencies to support the administration of comprehensive State water pollution control programs for the prevention, reduction, and elimination of water pollution, including enforcement directly or through appropriate State law enforcement officers or agencies.".
(c) ALLOTMENTS.—Subsection (c) of section 106 (33 U.S.C. 1256(c)) is amended to read as follows:
"(c) ALLOTMENTS.—
"(1) IN GENERAL.—Sums made available by appropriation pursuant to subsection (a) for any fiscal year, other than sums reserved pursuant to paragraph (2), shall be allotted to States and interstate agencies on the basis of the extent of water pollution problems in the respective States and the other requirements of this section.
"(2) INNOVATIVE PROGRAMS.—Of the sums made available by appropriation pursuant to subsection (a) for any fiscal year, an amount equal to 25 percent of the amount in excess of $80,000,000 shall be available to the Administrator for making grants to States for the

support of innovative programs for the control and prevention of water pollution that have potential application to other States.".

(d) STATE SHARE.—Subsection (d) of section 106 (33 U.S.C. 1256(d)) is amended to read as follows:

"(d) STATE SHARE.—

"(1) GRANT CONDITION.—A grant made to a State or interstate agency pursuant to this section shall be made on the condition that the State or interstate agency provide from non-Federal funds an amount determined by multiplying the amount allotted to the State or interstate agency pursuant to subsection (c) by the applicable percentage specified in paragraph (2).

"(2) APPLICABLE PERCENTAGE.—The applicable percentage referred to in paragraph (1) shall be—

"(A) 30 percent for fiscal year 1995;

"(B) 40 percent for fiscal year 1996; and

"(C) 50 percent for each fiscal year thereafter.".

(e) EMERGENCY POWERS.—Section 106(e) (33 U.S.C. 1256(e)) is amended—

(1) by inserting after "(e)" the following new subsection heading: "EMERGENCY POWERS.—"; and

(2) by striking "program—" and all that follows through "(2)" and inserting "program".

(f) OTHER AGENCIES.—Section 106 (33 U.S.C. 1256) is amended by adding at the end the following new subsection:

"(h) OTHER AGENCIES.—A State that receives a grant under this section may reserve an amount equal to not more than 20 percent of the amount of the grant to support the participation by substate regional comprehensive planning agencies in water quality planning activities, including participation by the agencies in the development and periodic revision of a continuing water quality planning process pursuant to section 303(e).".

(g) CONFORMING AMENDMENT.—The section heading of section 106 (33 U.S.C. 1256) is amended to read as follows:

"SEC. 106. GRANTS FOR POLLUTION CONTROL PROGRAM.".

SEC. 103. GENERAL PROGRAM AUTHORIZATIONS.

Section 517 (33 U.S.C. 1376) is amended—

(1) by striking "and" before "$135,000,000"; and

(2) by inserting before the period at the end the following: ", such sums as may be necessary for each of fiscal years 1991 through 1993, $185,000,000 for each of fiscal years 1994 and 1995, $190,000,000 for each of fiscal years 1996 and 1997, $195,000,000 for each of fiscal years 1998 and 1999, and $200,000,000 for fiscal year 2000.".

TITLE II—TOXIC POLLUTION PREVENTION AND CONTROL

SEC. 201. POINT SOURCE TECHNOLOGY BASED CONTROLS.

(a) EFFLUENT GUIDELINES.—Subsection (b) of section 304 (33 U.S.C. 1314(b)) is amended to read as follows:

"(b) EFFLUENT GUIDELINES.—

"(1) REQUIREMENTS FOR EFFLUENT GUIDELINES.—The Administrator shall, after notice and opportunity for public comment, promulgate regulations that establish effluent guidelines applicable to point sources (other than publicly owned treatment works) that discharge conventional, nonconventional, toxic, or other pollutants to navigable waters. In terms of the quantities of constituents and the chemical, physical, and biological characteristics of pollutants, the regulations shall—

"(A) reflect the application of the best available technology economically achievable for each category or class of sources to which the effluent guideline applies;

"(B) for a determination of the best available technology economically achievable under subparagraph (A), rely on, and require, to the maximum extent practicable, source reduction measures and practices, including changes in production processes, products, or raw materials that reduce, avoid, or eliminate the generation of toxic or hazardous byproducts, taking into account any adverse effects on human health (including the health of workers) and the environment;

"(C) require the elimination of the discharge of pollutants to navigable waters in any case in which the Administrator finds that the elimination is technologically and economically achievable for the category or class of sources to which the effluent guideline applies;

"(D) prohibit or limit the release of pollutants to other environmental media (including ground water) to the extent that the prohibition or limitation is technologically and economically achievable for the category or class of sources to which the effluent guideline applies; and

"(E) prohibit specific control measures or practices that the Administrator determines are likely to have a significant adverse impact on any environmental medium.

"(2) FACTORS THAT THE ADMINISTRATOR MAY CONSIDER.—In determining whether any prohibition, limitation, or requirement is technologically or economically achievable for a category or class of sources, the Administrator may consider, with respect to the category or class—

"(A) the age of the equipment and facilities involved;

"(B) the process employed;

"(C) the engineering aspects of the application of various types of control techniques and process changes (including in-plant source reduction measures, in addition to end-of-pipe controls);

"(D) the cost of achieving the limitation, prohibition, or requirement; and

"(E) other factors that the Administrator determines appropriate.".

(b) NEW SOURCE PERFORMANCE STANDARDS.—

(1) IN GENERAL.—Paragraph (1) of section 306(a) (33 U.S.C. 1316(a)(1)) is amended to read as follows:

"(1)(A) The term 'standard of performance' means a standard for the control of the discharge of pollutants that reflects the greatest degree of effluent reduction that the Administrator determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives.

"(B) In determining the best available demonstrated control technology, the Administrator shall—

"(i) rely upon and require, to the maximum extent practicable, source reduction measures and practices, including changes in production processes, products, or raw materials, that reduce, avoid, or eliminate the generation of toxic or hazardous byproducts, taking into account any adverse effects on human health (including the health of workers) and the environment;

"(ii) eliminate the discharge of pollutants to navigable waters in any case in which the Administrator determines that the elimination is technologically and economically achievable for the category or class of sources to which the standard applies;

"(iii) prohibit or limit the release of pollutants to other environmental media (including ground water) to the extent that the prohibition or limitation is technologically and economically achievable for the category or class of sources to which the standard applies; and

"(iv) prohibit specific control measures or practices that the Administrator determines are likely to have a significant adverse impact on any environmental medium.".

(2) STANDARDS.—Section 306 (33 U.S.C. 1316) is amended—

(A) in subsection (b)(1)(B), by striking the last 3 sentences; and

(B) by adding at the end the following new subsection:

"(f) Each standard of performance established pursuant to this section (including any revised standard established pursuant to this section) shall become effective on the date of proposal of the standard and shall apply to all sources for which construction begins after the date of proposal.".

(c) PRETREATMENT STANDARDS.—

(1) IN GENERAL.—Subsection (b) of section 307 (33 U.S.C. 1317(b)) is amended to read as follows:

"(b) PRETREATMENT STANDARDS.—

"(1) IN GENERAL.—The Administrator shall, after notice and opportunity for public comment, promulgate regulations establishing pretreatment standards for the introduction of toxic and nonconventional pollutants into any treatment works (as defined in section 212) that is publicly owned. The regulations promulgated under this section shall—

"(A) address each pollutant subject to an effluent guideline under section 301 or 304 for sources in the same class or category; and

"(B) be established to prevent the discharge of any pollutant through the treatment works, including pollutants that interfere with, pass through, or prevent the beneficial reuse of, or cause or contribute to the contamination of, sewage sludge, or are otherwise incompatible with, the treatment works.

"(2) REQUIREMENTS FOR PRETREATMENT STANDARDS.—Each pretreatment standard shall—

"(A) reflect the application of the best available technology economically achievable for the category or class of sources to which the standard applies;

"(B) in determining the best available technology economically achievable under subparagraph (A), rely upon and require, to the maximum extent practicable, source reduction measures and practices, including changes in production processes, products, or raw materials that reduce, avoid, or eliminate the generation of toxic or hazardous byproducts, taking into account any adverse effects on human health (including the health of workers) and the environment;

"(C) provide for the elimination of the introduction of pollutants into any treatment works in any case in which the Administrator determines that the elimination is technologically and economically achievable for the category or class of sources to which the standard applies;

"(D)(i) prohibit or limit the release of pollutants to other environmental media (including ground water) to the extent that the prohibition or limitation is technologically or economically achievable for the category or class of sources to which the standard applies; and

"(ii) prohibit specific control measures or practices that the Administrator determines are likely to have a significant adverse impact on any environmental medium; and

"(E) be no less stringent than any effluent guideline for the pollutants (other than any conventional pollutant) and the category or

class of sources promulgated under section 304(b).

"(3) DESIGNATION OF CATEGORIES.—When proposing or promulgating any pretreatment standard under this section, the Administrator shall designate the category or class of sources to which the standard shall apply.

"(4) STATUTORY CONSTRUCTION.—Nothing in this subsection is intended to affect any pretreatment requirement established by the law (including any regulation) of a State or a political subdivision of a State, or a policy of a State or a political subdivision of a State, that is more stringent than any pretreatment standard for a pollutant, other than a conventional pollutant, established under this subsection.

"(5) COMPLIANCE DATE.—Each pretreatment standard promulgated under this section shall specify a date for compliance as expeditiously as practicable, but not later than 3 years after the date on which the standard is promulgated.".

(2) SIMULTANEOUS PROMULGATION.—Section 307(c) (33 U.S.C. 1317(c)) is amended—

(A) by inserting "STANDARDS REQUIRED.—" after "(c)";

(B) by striking "In order to ensure" and inserting the following:

"(1) NEW SOURCES.—In order to ensure"; and

(C) by striking the last sentence of the subsection and inserting the following new paragraph:

"(2) REQUIREMENTS FOR PRETREATMENT STANDARDS.—A pretreatment standard referred to in paragraph (1) shall—

"(A) comply with the requirements of subsection (b)(1), and may be more stringent than a standard promulgated under such subsection for existing sources; and

"(B) be no less stringent than any standard of performance promulgated under section 306 for the pollutants (other than conventional pollutants) and category or class of sources to which the pretreatment standard applies.".

(d) CONFORMING AMENDMENTS.—Section 301(b) (33 U.S.C. 1311(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking "not later than July 1, 1977" and inserting "as expeditiously as practicable, but not later than 3 years after the date the limitation is issued"; and

(B) by adding after subparagraph (C) the following new sentence:

"A permit issued under section 402 may not contain a compliance schedule for a limitation referred to in subparagraph (C) if the compliance schedule is precluded by any State law (including any regulation) or if the permit has previously included a limitation applicable to the pollutant.";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "section 304(b)(2) of this Act" both places it appears and inserting "section 304(b)";

(B) in subparagraphs (C) through (F), by striking ", and in no case later than March 31, 1989" each place it appears; and

(C) in subparagraph (E), by striking "section 304(b)(4) of this Act" and inserting "section 304(b)"; and

(3) in paragraph (3)(A), by striking ", and in no case later than March 31, 1989".

(e) SCHEDULE FOR GUIDELINES AND STANDARDS.—

(1) IN GENERAL.—Subsection (d) of section 301 (33 U.S.C. 1311(d)) is amended to read as follows:

"(d) REVISION OF EFFLUENT GUIDELINES.—

"(1) IN GENERAL.—Any effluent guideline (and each related requirement, including any limitation) required pursuant to subsection (b)(2) or promulgated under section 304(b) shall be reviewed in accordance with the schedule established under section 304(m).

"(2) REVISION OF GUIDELINE.—If, in the judgment of the Administrator, there have been significant changes in factors pertaining to the guidelines, including advances in pollution control technology or source reduction practices, that are likely to achieve a significant reduction in the toxicity of pollutants discharged to navigable waters by sources in the category or class of sources to which an effluent guideline applies, the Administrator shall revise the guideline.

"(3) SIMULTANEOUS REVIEW AND REVISION.—At the same time as the Administrator reviews or revises an effluent guideline (or related requirement) pursuant to this subsection, the Administrator shall review or revise new source performance standards promulgated pursuant to section 306 and pretreatment standards for existing sources and new sources promulgated pursuant to section 307 for sources in the class or category of sources.".

(2) PLAN FOR REVIEW.—Section 304(m) (33 U.S.C. 1314(m)) is amended—

(A) in paragraph (1)—

(i) by striking "(1)" and all that follows through "biennially" and inserting the following:

"(1) PUBLICATION.—Not later than January 1, 1998, and every 5 years";

(ii) in subparagraph (A)—

(I) by striking "annual"; and

(II) by inserting before the semicolon the following: ", new source performance standards promulgated in accordance with section 306, and pretreatment standards for existing sources and new sources promulgated pursuant to section 307";

(iii) in subparagraph (B)—

(I) by striking "discharging toxic or nonconventional pollutants";

(II) by striking "(b)(2)" and inserting "(b)"; and

(III) by striking "section 306" and inserting "sections 306 and 307"; and

(iv) in subparagraph (C), by striking "3 years after the publication of the plan" and inserting "5 years after the publication of the plan"; and

(B) by adding at the end the following new paragraphs:

"(3) REVIEW OF INDIRECT DISCHARGE STANDARDS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), notwithstanding section 301(d) and any other requirement of this subsection, the Administrator shall, as part of the plan required to be developed by the Administrator pursuant to this subsection by January 1, 1998, assess standards for existing sources and new sources developed pursuant to section 307 and identify, with respect to each standard applicable to pollutants that do not biodegrade, any requirements of the standard that are less stringent than the requirements under this section and sections 301 and 306.

"(B) EXCEPTION.—Subparagraph (A) may not apply with respect to a category or subcategory of industrial sources with respect to which no facility would be affected by a standard promulgated pursuant to section 307.

"(4) SIMULTANEOUS PUBLICATION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), notwithstanding any other provision of this Act, at the same time as the Administrator promulgates and publishes effluent guidelines pursuant to section 301 and this section, the Administrator shall, for each industry that is covered by guidelines promulgated pursuant to such sections, promulgate and publish—

"(i) standards for new sources pursuant to section 306; and

"(ii) pretreatment standards for existing sources and new sources pursuant to section 307.

"(B) EXCEPTION.—If, with respect to the pretreatment standards for existing sources referred to in subparagraph (A)(ii), no facility would be affected by the standards, the requirements of such subparagraph may not apply with respect to the existing sources.".

(3) CONFORMANCE WITH CONSENT DECREE.—Nothing in this Act or the amendments made by this Act is intended to relieve the Administrator of any requirements or obligations of the Administrator under the settlement decree in *Natural Resources Defense Council v. Reilly*, Civ. No. 89-2980 (D.D.C. filed January 25, 1991).".

(f) FEES.—Section 308 (33 U.S.C. 1318) is amended by adding at the end the following new subsection:

"(e) FEES FOR ISSUANCE OF GUIDELINES AND STANDARDS.—

"(1) IN GENERAL.—The Administrator shall, not later than the date of the promulgation or revision of any—

"(A) effluent limitation or guideline promulgated under section 301(b) and section 304(b);

"(B) new source performance standard promulgated under section 306; or

"(C) pretreatment standard promulgated under subsections (b) and (c) of section 307,

identify the cost incurred by the Administrator in developing the guideline or standard.

"(2) FEES.—The Administrator shall assess the owner or operator of any facility with a permit issued pursuant to section 402, or an individual control mechanism issued under section 307(b), and regulated by a guideline or standard referred to in paragraph (1) a fee in an amount equal to a proportional share of the estimated cost referred to in paragraph (1). The total amount of fees assessed with respect to a guideline or standard shall be sufficient to offset the full cost of developing and publishing the guideline or standard.

"(3) MODIFICATION OR WAIVER.—The Administrator may modify or waive an assessment described in paragraph (2) on the basis of a finding that—

"(A) a source is a small business, as defined in section 3(a) of the Small Business Act (15 U.S.C. 632); or

"(B) the assessment would pose an unreasonable financial hardship for the source.

"(4) OTHER CONDITIONS FOR MODIFICATION.—The Administrator may modify an assessment described in paragraph (2) if the Administrator determines that the source will demonstrate new or innovative technology.

"(5) SPECIAL FUND.—An amount equal to the amount of assessments collected pursuant to this subsection shall be placed in a special fund of the United States Treasury and shall be available without appropriation only to carry out the activities of the Administrator relating to the development and promulgation of effluent guidelines, new source performance standards, and pretreatment standards under this Act.

"(6) LIABILITY FOR ASSESSMENT.—

"(A) IN GENERAL.—Any discharger that—

"(i) applies for a permit to operate pursuant to an effluent guideline for which the Administrator made assessments under this subsection; and

"(ii) should have paid an assessment referred to in clause (i),

shall be liable for the assessment at the time the permit application is filed and shall be subject to a penalty in an amount equal to not less than 50 percent of the assessment, plus interest computed in the same manner as under section 6621(a)(2) of the Internal Revenue Code of 1986 (relating to computation of interest on underpayment of Federal taxes).

"(B) DEPOSIT IN FUND.—An amount equal to the amount of any assessments, penalties, and interest collected pursuant to this paragraph shall be placed in the fund established under paragraph (5).".

SEC. 202. WATER QUALITY CRITERIA AND STANDARDS.

(a) CRITERIA DOCUMENTS.—Section 304(a) (33 U.S.C. 1314(a)) is amended—

(1) in paragraph (1)(A), by striking the semicolon at the end and inserting "and the sediment associated with the bodies of water; and";

(2) in paragraph (2)—

(A) by striking "and" at the end of subparagraphs (B) and (C); and

(B) by striking the period at the end of the paragraph and inserting "; and (E) for toxic pollutants, on numerical pollutant concentration criteria that are sufficient to ensure the attainment of designated uses established by a State.";

(3) in paragraph (4)—

(A) by inserting "(A)" after "(4)";

(B) in the first sentence, by striking "fecal coliform, and pH" and inserting "pathogens or indicators of pathogens (or both), pH, oil, and grease"; and

(C) by adding at the end the following new subparagraph:

"(B) Not later than 3 years after the date of enactment of this subparagraph, the Administrator shall publish criteria pursuant to paragraph (1)—

"(i) for those pollutants or factors that the Administrator determines pose the greatest risk to the physical, chemical, or biological integrity of waters from all nonpoint sources; and

"(ii) that, on the basis of the potential for improving water quality and enhancing the protection of aquatic life and wildlife, programmatic needs, or effectiveness, would provide the greatest benefit in the restoration and protection of the physical, chemical, and biological integrity of waters, including, at a minimum, nutrients, suspended solids, and dissolved oxygen.";

(4) by striking paragraph (5) and inserting the following new paragraph:

"(5)(A) Not later than 2 years after the date of enactment of the Water Pollution Prevention and Control Act of 1993, and every 5 years thereafter, the Administrator shall prepare and publish in the Federal Register a plan for the development of criteria and information pursuant to this subsection during the 5-year period beginning on the date of publication of the plan, and, after providing opportunity for public review and comment, submit the plan to Congress.

"(B) Each plan prepared pursuant to this paragraph shall identify the relative need for new or revised—

"(i) human health criteria;

"(ii) aquatic life criteria for fresh waters and waters of the estuarine zone, the territorial sea, the contiguous zone, and the ocean;

"(iii) sediment quality criteria;

"(iv) criteria for pollutants associated with nonpoint sources of pollution;

"(v) criteria for pollutants associated with lakes;

"(vi) ground water criteria;

"(vii) biological, physical, and habitat criteria; and

"(viii) ambient toxicity criteria.

"(C) Each plan prepared pursuant to this paragraph shall establish a schedule for the publication of final criteria that the Administrator determines would result in the greatest benefit to human health and the environment.

"(D) The initial plan published pursuant to this paragraph shall provide for the publication, not later than 4 years after the date of enactment of this subparagraph, of not fewer than 8 sediment quality criteria (including criteria for polychlorinated biphenyls and dioxins) that the Administrator determines would result in the greatest benefit to human health or the environment.";

(5) in paragraph (6), by striking "and annually thereafter, for purposes of section 301(h) of this Act" and inserting "and every 5 years thereafter"; and

(6) by adding at the end the following new paragraphs:

"(9) Beginning on the date that is 1 year after the date of enactment of this paragraph, the Administrator shall, not later than the date of registration or reregistration of a pesticide pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.), require the registrant to provide information sufficient to publish criteria pursuant to paragraph (1) for the pesticide, unless the Administrator determines, on the basis of the proposed use of the pesticide, that it is unlikely that the pesticide or any metabolite of the pesticide will enter surface water. This paragraph may not apply with respect to any data submitted for a registration or reregistration that the Administrator determines was complete on or before June 1, 1993.

"(10) Not later than 1 year after the date of enactment of this paragraph, the Administrator shall establish a policy to ensure that information necessary to publish criteria pursuant to this subsection for chemical substances that are the subject of a premanufacture notice pursuant to section 5 of the Toxic Substances Control Act (15 U.S.C. 2604) shall be submitted to the Administrator, unless the Administrator finds that the chemical substance—

"(A) will not be discharged to navigable waters or to a publicly owned treatment works; or

"(B) will be discharged from a negligible quantity of facilities.".

(b) WATER QUALITY STANDARDS.—Section 303 (33 U.S.C. 1313) is amended—

(1) by striking subsections (a) and (b);

(2) by redesignating subsection (c) as subsection (a);

(3) by redesignating subsections (d) through (h) as subsections (c) through (g); and

(4) in subsection (a) (as redesignated by paragraph (2))—

(A) in second sentence of paragraph (1), by inserting after "Results of such review" the following: "(including the designated uses for the navigable waters involved, the water quality criteria for the waters based on the uses, and the antidegradation policy of the State)";

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in the second sentence, by inserting "and antidegradation policy" after "designated uses";

(II) in the third sentence, by inserting "and sediment" after "enhance the quality of water"; and

(III) in the fourth sentence, by striking "their use and value" and inserting "the criteria developed under section 304(a), the use of the water and sediment, and the value"; and

(ii) by adding at the end the following new subparagraph:

"(C) Not later than 3 years after the date of enactment of this subparagraph, each State shall adopt, as part of the water quality standards of the State, a methodology that allows the State to translate a narrative water quality standard into a specific numeric limit for those pollutants for which criteria guidance have not been published or for which the State has not adopted numeric criteria pursuant to section 304(a). In carrying out the preceding sentence, the State shall use the provision or methodology for the pollutants that cause water quality impairments.";

(C) by striking paragraphs (3) and (4); and

(D) by adding at the end the following new paragraphs:

"(3)(A) Each use designation made under this paragraph shall apply to the designated water and to the aquatic sediments of the water.

"(B) Not later than 3 years after the date of enactment of paragraph (5), and as part of any subsequent triennial review of State water quality standards, each State shall report to the Administrator the designated uses of waters within the State.

"(C) On the date that is 5 years after the date of enactment of paragraph (5), all waters of the United States for which a use has not been designated shall be deemed to be designated as fishable and swimmable, unless a State establishes an alternative use for the waters.

"(4) Any chemical-specific numeric criterion published pursuant to section 304(a) for a toxic pollutant after the date of enactment of paragraph (5) (together with the appropriate designated use) shall be deemed to be the applicable standard under this section for all waters unless a State objects to the application of the criterion with respect to the waters of the State not later than 120 days after the date of publication of the criterion. If a State objects to the application of the criterion by the date specified in the preceding sentence, and the State adopts a criterion by not later than 3 years after publication of the criterion, the criterion may not apply with respect to the State.

"(5)(A) For all waters of the State, after the date of enactment of this paragraph, as expeditiously as practicable, but not later than 3 years after the date of publication of the criteria, each State shall adopt pollutant specific standards for any pollutant for which criteria are published pursuant to section 304(a)(1) the discharge or presence of which in the affected waters could reasonably be expected to interfere with those designated uses adopted by the State, as necessary to support the designated uses.

"(B) A State may waive the obligation to adopt a standard pursuant to this paragraph for criteria that apply as standards pursuant to paragraph (4).".

(c) ANTIDEGRADATION.—Section 303 (33 U.S.C. 1313), as amended by subsection (b), is further amended by inserting after subsection (a) the following new subsection:

"(b) ANTIDEGRADATION POLICY.—

"(1) IN GENERAL.—Each State shall develop and implement a statewide antidegradation policy and implementation procedures for the policy. The Administrator shall review and approve or disapprove the policy and any revisions to the policy adopted by each State. Not later than 3 years after the date of enactment of this paragraph, the Administrator shall promulgate and implement an

antidegradation policy for each State that does not have a policy that has been approved by the Administrator by the date.

"(2) ANTIDEGRADATION POLICY IMPLEMENTATION METHODS.—The methods for the implementation of an antidegradation policy under paragraph (1) shall, at a minimum, be consistent with the following:

"(A) Existing instream water uses, including any uses occurring on or after November 28, 1975, and the water and sediment quality necessary to protect the existing uses, shall be maintained and protected.

"(B)(i) Except as provided in clause (ii), if the quality of waters and sediments exceeds levels necessary to support the protection and propagation of a balanced population of fish, shellfish, and wildlife, and recreation in and on the water, the quality shall be maintained and protected.

"(ii) If the State finds, after public notice, opportunity for public hearing, and full satisfaction of the intergovernmental coordination provisions of the continuing planning process of the State, that allowing a reduction in the degree of water quality or sediment quality is necessary to accommodate important economic or social development in the area in which the waters are located, clause (i) may not apply. In allowing a reduction in the degree of water quality or sediment quality, the State shall ensure a degree of water and sediment quality adequate to protect existing uses (as described in subparagraph (A)), and the State shall ensure—

"(I) that all point sources discharging to the waters, and each industrial user discharging to a publicly owned treatment works discharging to the waters for which the level of water or sediment quality is to be reduced, are subject to all applicable requirements of this Act, including any source reduction requirements established pursuant to section 301, 304, 306, 307, or 401; and

"(II) that all nonpoint sources within the State that affect or may affect the water or sediment quality referred to in subclause (I) are subject to enforceable best management practices pursuant to section 319 that are economically and technologically achievable for the sources.

"(3) OUTSTANDING NATIONAL RESOURCE WATERS.—

"(A) IN GENERAL.—If a high quality water constitutes an outstanding national resource (as described in subparagraph (B)), the water shall be maintained and protected by the State.

"(B) STATE DESIGNATION OF OUTSTANDING NATIONAL RESOURCE WATERS.—

"(i) IN GENERAL.—Not later than 2 years after the date of enactment of this clause, each State shall designate and implement a program to protect all outstanding national resource waters within the State.

"(ii) OUTSTANDING NATIONAL RESOURCE WATERS.—Except as provided in clause (iii), the outstanding national resource waters shall include all waters within a national park, wildlife refuge, wild and scenic river system, national forest, wilderness area, national seashore or lakeshore, or national monument. The State shall also designate as outstanding national resource waters those waters of exceptional recreational, cultural, or ecological significance, including any water that supports a population of threatened or endangered species, as identified in the guidance of the Administrator published pursuant to subparagraph (C).

"(iii) DECISION TO DECLINE TO MAKE A DESIGNATION.—A State may propose not to designate a specific water as an outstanding national resource water, and the Administrator may, after notice and opportunity for comment, approve the proposal, if—

"(I) the State demonstrates to the satisfaction of the Administrator that the continued designation would result in important social and economic harms; and

"(II) with respect to waters within Federal lands (if any), the Federal manager of the lands concurs with the State proposal.

"(C) GUIDANCE.—Not later than 1 year after the date of enactment of this subparagraph, the Administrator shall publish guidance for States to assist in the designation and protection of outstanding national resource waters of ecological, cultural, or recreational significance.

"(D) CONSEQUENCES OF FAILURE TO DESIGNATE.—If the State fails to make the designations required under this paragraph by the date that is 3 years after the date of enactment of this subparagraph, the Administrator shall make the designations on such date.

"(E) STATE ANTIDEGRADATION POLICY.—Each State antidegradation policy developed under this subsection shall ensure that each water of ecological significance designated pursuant to the guidance of the Administrator (including any water of ecological significance that may have been designated as an outstanding national resource water under this paragraph) meets water and sediment quality standards that ensure the protection and propagation of a balanced population of fish, shellfish, and wildlife, and recreation in and on the water.

"(F) CITIZEN PETITION.—The State shall include in the antidegradation policy of the State provisions allowing any citizen of the State to petition the State for the designation of a particular water as an outstanding national resource water.

"(4) ANTIDEGRADATION REVIEW.—In order to ensure that the antidegradation policy required by this subsection is not violated, a permitting authority shall conduct an antidegradation review for a water prior to issuing any permit to a point source authorizing any new, expanded, or increased discharge of a pollutant to the receiving water.".

(d) MIXING ZONES.—Section 303 (33 U.S.C. 1313), as amended by subsection (b), is further amended by adding at the end the following new subsection:

"(h) MIXING ZONES.—

"(1) NATIONAL POLICY.—The Administrator shall, not later than 2 years after the date of enactment of this paragraph, establish a national policy concerning the use of mixing zones.

"(2) REQUIREMENTS FOR POLICY.—The policy established under paragraph (1) shall, at a minimum, require that—

"(A) no acute toxicity will result from the allowed dilution;

"(B) any area of allowed dilution shall be as small as possible and be in a shape that facilitates monitoring;

"(C) the area of allowed dilution is calculated on the assumption of water volume at minimum stream flow for the receiving water; and

"(D) no mixing zone is allowed in waters designated as outstanding national resource waters pursuant to subsection (g)(3).

"(3) STATE POLICIES.—Not later than 3 years after the date of enactment of this paragraph, each State shall incorporate in the water quality standards issued by the State a mixing zone policy that is not less stringent than the national policy established under this subsection.".

(e) CONFORMING AMENDMENT.—Section 24 of the Municipal Wastewater Treatment Construction Grant Amendments of 1981 (33 U.S.C. 1313a) is amended by striking "303(c)" both places it appears and inserting "303(a)".

SEC. 203. TOXIC POLLUTANT PHASE-OUT.

(a) EFFLUENT PROHIBITION.—Section 307(a) (33 U.S.C. 1317(a)) is amended—

(1) in paragraph (2), by striking the second sentence and all that follows through the end of the paragraph; and

(2) by striking paragraphs (3) through (7) and inserting the following new paragraphs:

"(3)(A) Not later than 1 year after the publication of a list pursuant to paragraph (4), the Administrator shall, by regulation, prohibit the discharge of any toxic pollutant listed pursuant to paragraph (4). The regulation shall apply to any discharges regulated pursuant to section 402 or an industrial user regulated pursuant to subsection (b).

"(B) Each regulation issued pursuant to this paragraph shall specify acceptable analytical methods and a compliance level.

"(C) The regulation shall provide a process for the Administrator to adjust a prohibition pursuant to this paragraph to provide an offset for the amount of a prohibited pollutant in the water supply of the source in a manner consistent with section 129 of title 40, Code of Federal Regulations (as in effect on October 1, 1993).

"(D) The Administrator may exempt a category of sources from the requirements of this paragraph if the Administrator determines that compliance by the category with the requirements of such paragraph is not technologically feasible.

"(4) Not later than 2 years after the date of enactment of the Water Pollution Prevention and Control Act of 1993, and every 5 years thereafter, the Administrator shall publish proposed regulations listing those pollutants that the Administrator determines to—

"(A) be highly toxic or toxic and highly bioaccumulative; and

"(B) occur in surface water predominately as a result of discharges.

"(5)(A) On receiving a petition from any person, the Administrator may add a pollutant to the list established pursuant to paragraph (4). Each person who petitions for the listing of an additional pollutant pursuant to this paragraph shall submit to the Administrator sufficient information to make a determination under paragraph (4) not later than 1 year before the date specified in paragraph (4) for the publication of a list. The Administrator shall include in a notice in the Federal Register concerning the establishment of the list the basis for the decision of the Administrator to list or decline to list a pollutant addressed in a petition submitted to the Administrator pursuant to this paragraph.

"(B) If, on receipt of a petition referred to in subparagraph (A), the Administrator determines that the addition of a pollutant to the list is warranted, but that—

"(i) the immediate proposal and timely promulgation of a final regulation listing the pollutant in accordance with this subsection is precluded by other actions under this subsection concerning the listing of a pollutant; and

"(ii) expeditious progress is being made to list pollutants pursuant to this subsection, with respect to which the listing requirements of this subsection are no longer appropriate,

the Administrator shall promptly publish the determination in the Federal Register, together with a description and evaluation of the reasons and the data on which the determination is based.

"(6)(A) Each toxic pollutant prohibition established pursuant to this subsection shall take effect as expeditiously as practicable but not later than 5 years after the date of promulgation of the regulation establishing a prohibition under this subsection.

"(B) If, at the end of the maximum compliance period under subparagraph (A), the Administrator determines for a source or category of sources that—

"(i) a prohibited pollutant cannot be eliminated through the use of alternative substances or processes; and

"(ii) the source is making the maximum use of available technology,

the Administrator may extend the compliance period for the source or category of sources for a period of 5 years, and may on the termination of the period, on the basis of the criteria referred to in clauses (i) and (ii), extend the compliance period for the period specified in this subparagraph.".

(b) LISTING PROCESS.—Section 307(a)(1) (33 U.S.C. 1317(a)(1)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "The Administrator is authorized to add or remove from the list any pollutant and shall, not later than 1 year after the date of enactment of the Water Pollution Prevention and Control Act of 1993, and not less often than every 5 years thereafter, review and revise the list."; and

(2) in the third sentence, by inserting "potential for bioaccumulation," after "degradability,".

(c) REPORT ON DEVELOPMENTAL EFFECTS.—Not later than 3 years after the date of enactment of this Act, the Administrator shall submit to Congress a report providing a comprehensive review and assessment of the effects of pollutants found in navigable waters on the development of aquatic species, wildlife, and humans, including impairments to reproduction, endocrine, and immune systems caused by the pollutants.

SEC. 204. PRETREATMENT PROGRAM.

(a) PERMIT AUTHORITY.—Section 402(b)(9) (33 U.S.C. 1342(b)(9)) is amended by adding at the end the following new sentences: "The Administrator (or a State with authority to approve a pretreatment program under this Act) may impose requirements on industrial users that introduce pollutants into publicly owned treatments works and that are not subject to the requirements of a pretreatment program that has been approved by the appropriate authority (referred to in this paragraph as an 'approved pretreatment program'). The requirements shall include requirements that are equivalent to the requirements that a publicly owned treatment works with an approved pretreatment program is required to impose pursuant to the regulations issued under this Act, shall include pretreatment standards, and may reflect best professional judgment.".

(b) REMOVAL CREDITS.—Section 307(b) (33 U.S.C. 1317(b)), as amended by section 201(c)(1), is further amended by adding at the end the following new paragraph:

"(6) If in the case of any toxic pollutant listed pursuant to subsection (a) introduced by a source into a publicly owned treatment works—

"(A) the treatment by the treatment works results in the biodegradation of the toxic pollutant, as determined by the Administrator;

"(B) the discharge from the treatment works does not violate the effluent limitation or standard that would be applicable to the toxic pollutant if the pollutant were discharged by the source other than through a publicly owned treatment works; and

"(C) the toxic pollutant does not prevent sludge use or disposal by the treatment works in accordance with section 405,

the pretreatment requirements for the sources actually discharging the toxic pollutant into the publicly owned treatment works may be revised by the owner or operator of the works to reflect the biodegradation of the toxic pollutant by the works.".

(c) DOMESTIC SEWAGE EXCLUSION.—Section 307 (33 U.S.C. 1317) is amended by adding at the end the following new subsection:

"(f) DOMESTIC SEWAGE EXCLUSION.—

"(1) IN GENERAL.—Beginning on the date that is 3 years after the date of enactment of this subsection, the term 'but does not include solid or dissolved material in domestic sewage' may not, for the purpose of paragraph (27) of section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903(27)), be interpreted, construed, or applied to exclude from the definition of solid waste under such paragraph any pollutant introduced by a source into a treatment works (as defined in section 212), unless—

"(A) the pollutant and source are subject to a pretreatment standard promulgated by the Administrator under this section and the source is in compliance with the standard;

"(B)(i) the Administrator has promulgated a schedule for establishing a pretreatment standard pursuant to section 304(m) that would be applicable to the pollutant and source not later than 5 years after the date of enactment of this subsection and the standard is promulgated on or before the date established in the schedule; or

"(ii) the pollutant and source are subject to a local limit and the local limit for the pollutant and source is equivalent to the best demonstrated available treatment technology as determined by the Administrator under section 3004(m) of the Solid Waste Disposal Act (42 U.S.C. 6924(m)) or a pretreatment standard equivalent to a standard under subsection (b) or section 402(b)(9).

"(2) PROHIBITION ON INTRODUCTION OF HAZARDOUS WASTE.—It shall be unlawful to introduce into a publicly owned treatment works any pollutant that is a hazardous waste. Notwithstanding the provisions of this Act, a publicly owned treatment works (as defined in section 212) receiving or treating any hazardous waste shall not be deemed to be generating, treating, storing, disposing of, or otherwise managing a hazardous waste for the purposes of this Act, solely on the basis that any other person has introduced a hazardous waste into the collection system for such publicly owned treatment works.".

SEC. 205. POLLUTION PREVENTION PLANNING.

Section 308 (33 U.S.C. 1318), as amended by section 201(e), is further amended by adding at the end the following new subsection:

"(f) POLLUTION PREVENTION PLANNING.—

"(1) IN GENERAL.—

"(A) REGULATIONS.—Not later than 2 years after the date of enactment of this subsection, the Administrator shall promulgate regulations that require a person described in paragraph (2) who applies for the issuance or reissuance of a permit pursuant to section 402, or for a local limit for a significant industrial user determined under section 307, to submit a pollution prevention plan to the permitting authority (in the case of a direct discharger), or the permitting authority of the State for the appropriate publicly owned treatment works (in the case of a local limit) as a condition of the issuance or reissuance of the permit or local limit.

"(B) REQUIREMENTS FOR REGULATIONS.—The regulations referred to in subparagraph (A) shall identify not fewer than 20 pollutants with respect to which the Administrator determines that discharge reductions are likely to result in a benefit to human health or the environment.

"(C) POTENTIAL FOR POLLUTANT REDUCTION.—The regulations shall indicate the potential for pollutant reduction within categories or subcategories of dischargers.

"(2) POLLUTION PREVENTION PLANNING REQUIREMENT.—The Administrator shall identify the persons who are required to comply with paragraph (1). In identifying the persons, the Administrator shall provide that, not later than 7 years after the date of enactment of this subsection, not less than 80 percent of the volume of each pollutant listed pursuant to paragraph (1)(B) released into waters at the time of the identification is subject to plans prepared pursuant to this subsection.

"(3) REQUIREMENTS FOR POLLUTION PREVENTION PLANS.—

"(A) IN GENERAL.—Each pollution prevention plan prepared pursuant to this subsection shall—

"(i) address pollutants listed pursuant to section 307(a) with respect to which the discharger is required to report under section 313 of the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11023); and

"(ii) with respect to a direct discharger, be submitted as part of the application for the issuance or the reissuance of a permit under section 402, and with respect to a person subject to a pretreatment requirement, be submitted to the permitting authority.

"(B) MINIMUM REQUIREMENTS FOR PLAN.—Each pollution prevention plan referred to in subparagraph (A) shall, at a minimum—

"(i) establish goals for pollution prevention (including the reduction in the use of pollutants, byproduct generation, and in-process recycling) over the term of a permit referred to in paragraph (1), or the period during which a local limit referred to in paragraph (1) applies;

"(ii) address water use efficiency;

"(iii) include onsite plans for the attainment of the goals established under clause (i); and

"(iv) provide for annual reports to the agency that issues a permit concerning progress toward attainment of the goals established under clause (i).

"(C) GUIDANCE.—Not later than 4 years after the date of enactment of this subsection, the Administrator shall issue guidance that indicates the range of the potential and demonstrated reduction in pollution under pollution prevention plans submitted pursuant to this subsection.

"(D) AVAILABILITY OF PLANS.—

"(i) IN GENERAL.—The pollution prevention plan for each facility shall be retained at the facility, and, for purposes of administering this Act, shall be available to the Administrator, the State in which the facility is located, and any local government agency given authority by the State to inspect the plans. Any documents and other records obtained or reviewed may not be deemed to be public records or documents.

"(ii) AVAILABILITY TO THE PUBLIC.—The pollution prevention plan summaries for each facility shall be made available to the public at the facility during normal business hours.

"(4) REPORT TO CONGRESS.—Not later than 5 years after the date of enactment of this subsection, the Administrator shall submit a report to Congress that describes the pollutant reductions accomplished pursuant to plans prepared pursuant to this subsection.".

TITLE III—WATERSHED PLANNING AND NONPOINT POLLUTION CONTROL

SEC. 301. WATER QUALITY MONITORING.

(a) STATE WATER QUALITY MONITORING PROGRAMS.—Subsection (b) of section 305 (33 U.S.C. 1315(b)) is amended to read as follows:

"(b)(1) Each State shall conduct a comprehensive program to monitor the quality of navigable waters and aquatic sediment within the State.

"(2) Each State monitoring program conducted pursuant to this subsection shall, at a minimum—

"(A) assess whether the waters of the State (including the rivers, lakes, and coastal waters of the State)—

"(i) provide for the protection and propagation of a balanced population of shellfish, fish, and wildlife; and

"(ii) allow for recreation in and on the waters;

"(B) identify waters that do not meet a water quality standard (including a designated use);

"(C) assess the contribution of point and nonpoint sources to the water pollution problems of the State referred to in subparagraphs (A) and (B); and

"(D) provide that monitoring activities in the State be scheduled, to the extent practicable, to provide for continuous collection of information over each period that is the subject of a report submitted pursuant to paragraph (5).

"(3) Not later than 2 years after the date of enactment of this paragraph, the Administrator shall promulgate regulations that specify minimum requirements for each State monitoring program conducted pursuant to this subsection.

"(4) Each State monitoring program conducted pursuant to this subsection—

"(A) shall coordinate the assessment of water and sediment quality within the State;

"(B) in coordinating the assessment referred to in subparagraph (A), may draw on data from—

"(i) the monitoring programs of Federal agencies;

"(ii) the monitoring of dischargers pursuant to section 308; and

"(iii) volunteer monitoring programs;

"(C) may collect and assess original data that are necessary to supplement the data sources referred to in subparagraph (B); and

"(D) shall be conducted in coordination and cooperation with the Water Quality Monitoring Council established under subsection (c).

"(5)(A) Each State shall prepare for all waters within the State and submit to the Administrator not later than August 1, 1995, information on the attainment and maintenance of water quality. The information required under this paragraph shall be updated with information supplied by the States not less frequently than every 5 years.

"(B) The State shall publish a report on the monitoring program, including a compilation of the data, not later than 5 years after the date of enactment of this paragraph, and every 5 years thereafter.

"(C) Each State shall include in each report referred to in subparagraph (A) data collected from hydrologic study units and fixed monitoring stations operated by Federal agencies.

"(6) The Administrator shall ensure that—

"(A) the data provided in the reports submitted pursuant to paragraph (5) are maintained in a repository on a continuous basis by the Environmental Protection Agency; and

"(B) the repository is updated in a timely fashion.".

(b) WATER QUALITY MONITORING COUNCIL.—Section 305 (33 U.S.C. 1315) is amended by adding at the end the following new subsection:

"(c)(1) There is established a Water Quality Monitoring Council (referred to in this subsection as the 'Council'). The Council shall give advice with respect to the coordination of Federal and State water quality monitoring programs.

"(2) The Council shall be composed of—

"(A) a representative of the Administrator, who shall be a cochairperson of the Council;

"(B) a representative of the Director of the United States Geological Survey, who shall be a cochairperson of the Council;

"(C) 3 representatives of appropriate Federal agencies appointed by the President (after receiving recommendations from the Administrator);

"(D) 3 representatives of State environmental protection agencies, appointed by the Administrator;

"(E) 3 representatives of the academic community, appointed by the Administrator; and

"(F) 3 representatives of volunteer water quality monitoring organizations, appointed by the Administrator.

"(3) The Council shall, at a minimum—

"(A) review and make recommendations regarding the implementation of Federal water and sediment quality monitoring programs;

"(B) review and make recommendations regarding the implementation of State water monitoring programs pursuant to subsection (b);

"(C) recommend consistent quality assurance standards for monitoring programs implemented pursuant to this section;

"(D) recommend procedures and methods for statistical analysis of monitoring data; and

"(E) assist in the effective coordination of data management systems.

"(4) Members of the Council may not be compensated for any travel expenses incurred, and may not receive any compensation, by reason of service on the Council.

"(5)(A) Not later than 2 years after the date of enactment of this subsection, the President, after considering the recommendations of the Council, shall submit to Congress a strategy for the coordinated implementation of water quality monitoring programs.

"(B) The strategy referred to in subparagraph (A) shall—

"(i) review and assess the location and function of fixed monitoring stations and hydrologic study units; and

"(ii) describe—

"(I) the roles and responsibilities of Federal agencies;

"(II) methods of coordination among agencies, including procedures to ensure the implementation of the strategy;

"(III) the anticipated level of resources to be devoted to monitoring programs by each agency; and

"(IV) measures to ensure that Federal monitoring programs are responsive to the monitoring needs of States to the fullest extent practicable.

"(6)(A) The Administrator, in cooperation with the Council, shall prepare and submit to Congress, on January 1, 1996, and every 5 years thereafter, a report that—

"(i) describes the findings of monitoring programs conducted pursuant to this section; and

"(ii) provides a comprehensive assessment of conditions and trends in the quality of navigable waters throughout the United States.

"(B) The report referred to in subparagraph (A) shall also identify needed changes to Federal and State monitoring programs, including the adequacy of funding for the accomplishment of the programs provided for in this section.".

SEC. 302. COMPREHENSIVE WATERSHED MANAGEMENT.

Title III (33 U.S.C. 1311 et seq.) is amended by adding at the end the following new section:

"SEC. 321. COMPREHENSIVE WATERSHED MANAGEMENT.

"(a) FINDINGS AND PURPOSE.—

"(1) FINDINGS.—Congress finds that comprehensive watershed management will further the goals and objectives of this Act by—

"(A) identifying more fully water quality impairments and the pollutants, sources, and activities causing impairments;

"(B) integrating water protection quality efforts under this Act with other natural resource protection efforts, including Federal efforts to define and protect ecological systems (including the waters and the living resources supported by the waters);

"(C) defining long-term social, economic and natural resource objectives and the water quality necessary to attain or maintain the objectives;

"(D) increasing, through citizen participation in the watershed management process, public support for improved water quality;

"(E) identifying priority water quality problems that need immediate attention; and

"(F) identifying the most cost-effective measures to achieve the objectives of this Act.

"(2) PURPOSE.—The purpose of this section is to encourage comprehensive watershed management in maintaining and enhancing water quality, in restoring and protecting living resources supported by the waters, and in ensuring waters of a quality sufficient to meet human needs, including water supply and recreation.

"(b) DESIGNATION OF WATERSHEDS.—

"(1) IN GENERAL.—The Governor of a State may at any time designate waters (including ground waters) and associated land areas within the State as a watershed management unit. To the extent practicable, the boundaries of each watershed management unit shall be consistent with the hydrological units identified by the United States Geological Survey of the Department of the Interior as the most appropriate units for planning purposes.

"(2) REQUIREMENTS FOR DESIGNATION.—Each designation under paragraph (1) shall include an identification of the waters within the watershed management unit that are not meeting water or sediment quality standards (including designated uses) at the time of the designation. Each designation under paragraph (1) shall also identify any outstanding national resource water and sensitive aquatic or wildlife habitat area within the watershed management unit that is the subject of the designation.

"(3) WATERSHED MANAGEMENT UNIT.—

"(A) IN GENERAL.—Each watershed management unit referred to in paragraph (1) shall, to the extent practicable, include the land area occupied by all sources of pollution that are causing, or contributing to, an impairment identified pursuant to paragraph (2).

"(B) MULTISTATE UNITS.—Each watershed management unit established under this subsection may include waters and associated

land areas in more than 1 State, if the Governors of the States affected jointly designate the watershed management unit.

"(4) DESIGNATION.—Each designation of a watershed management unit made pursuant to this subsection, and each corresponding management entity designated under paragraph (1) or (2) of subsection (c), shall be submitted to the Administrator for approval. The Administrator shall approve the designation not later than 180 days after the date of submittal, if the designation meets the requirements of this section. If the Administrator disapproves the designation, the Administrator shall notify the State in writing of the reasons for disapproval. The State may resubmit the designation amended to meet the objections of the Administrator.

"(c) MANAGEMENT ENTITY.—

"(1) IN GENERAL.—The Governor of a State shall determine the entity responsible for developing and implementing a plan for each watershed management unit designated under this section. The management entity may be an agency of State government, a local government agency, a substate regional planning organization, a conservation district or other natural resource management district, or any other public or nonprofit entity with the capacity to carry out the responsibilities authorized by this section, as set forth by the Administrator in the guidance required under subsection (i).

"(2) MULTISTATE MANAGEMENT ENTITY.—If a watershed management unit is designated to include land area in more than 1 State, the Governors of the States affected shall jointly determine the appropriate management entity.

"(3) ELIGIBILITY FOR ASSISTANCE.—If the Administrator determines that the management entity identified by the Governor has adequate powers to carry out the responsibilities authorized by this section, the entity shall be eligible for assistance under subsection (f).

"(d) WATERSHED MANAGEMENT AND PLANNING ACTIVITIES.—Watershed management and planning activities eligible to receive assistance from the Administrator under this Act include, with respect to a watershed—

"(1) characterizing the waters and land uses of the watershed management unit (including the existing, designated, and potential uses of the waters, the living resources supported by the waters, sensitive habitats within the watershed, and other natural, social and economic values that may be affected by water quality within the watershed);

"(2) identifying problems related to water quality within the watershed (including impairments and threats to the existing, designated, and potential uses, pollutants of concerns, and sources of pollutants causing threats or impairments);

"(3) selecting short-term and long-term goals for watershed management (including the maintenance or restoration of water quality, sediment quality, aquatic and wildlife habitat, and living resources supported by the waters of the watershed);

"(4) selecting measures and practices to meet identified goals (including the allocation of pollutant load reductions among sources of pollution within the watershed and the design of remedial actions necessary to restore uses);

"(5) identifying and coordinating specific projects and activities necessary to reduce pollutant loadings or to restore water quality or aquatic habitat within the watershed (including identifying Federal, State, local, and other financial resources needed to support the projects and activities); and

"(6) identifying the appropriate institutional arrangements to carry out a plan approved pursuant to subsection (g) and ensuring compliance with schedules and limits established by the management process.

"(e) PUBLIC PARTICIPATION.—To the maximum extent practicable, each State shall establish procedures, including the establishment of technical and citizens' advisory committees, to encourage the public to participate in developing the comprehensive watershed management program under this section.

"(f) SUPPORT FOR WATERSHED MANAGEMENT AND PLANNING.—

"(1) INTERAGENCY COMMITTEE.—There is established an interagency committee to support comprehensive watershed management and planning. The President shall appoint the members of the committee. The members shall include a representative from each Federal agency that carries out programs and activities that may have a significant impact on water quality or other natural resource values that may be appropriately addressed through comprehensive watershed management. In appointing members to the committee, the President may include such representatives from a State or local government and individuals from any affected industry, public or private educational institution, and the general public as the Administrator determines appropriate.

(2) COMPENSATION.—Members of the Council may not be compensated for any travel expenses incurred, and may not receive any compensation, by reason of service on the Council.

"(3) USE OF OTHER FUNDS UNDER THIS ACT.—The planning and management activities carried out by a management entity pursuant to this section may be carried out with funds made available pursuant to section 106(h), 205(j), 319(e), or 604(b) (or any combination thereof).

"(g) APPROVED PLANS.—

"(1) IN GENERAL.—The Governor of a State may submit to the Administrator for approval a comprehensive watershed management plan developed pursuant to this section. The Administrator shall, after notice and opportunity for public comment, approve or disapprove a comprehensive watershed management plan submitted by a Governor pursuant to this subsection. The Administrator shall approve the plan if the plan satisfies each of the following conditions:

"(A) The plan has been developed for a watershed management unit designated and approved pursuant to subsection (b).

"(B) The entity with responsibility to carry out the plan has the legal authority and financial resources to carry out the plan.

"(C) Except as provided in subparagraph (D), if the watershed includes waters that are not meeting water or sediment quality standards at the time of submission—

"(i) the plan—

"(I) identifies the pollutants and sources causing the impairment; and

"(II) demonstrates that the standards will be attained as expeditiously as practicable, but not later than 10 years after the date of submittal of the plan; and

"(III) includes periodic determinations to ensure reasonable further progress within the economic capability of the sources within the watershed is made toward attaining the standards; and

"(ii) the plan includes a list of projects and activities necessary to achieve allocated load reductions consistent with the requirements of section 303(b), and—

"(I) identifies those projects of highest priority; and

"(II) includes milestones for the implementation of the projects and activities.

"(D) In the case of a watershed with respect to which pollutant loads are attributable only to point sources the plan demonstrates that the standards will be attained not later than 5 years after the date of enactment of this section and that periodic determinations will be made to determine that reasonable further progress within the economic capability of the sources within the watershed during the period specified is made.

"(E) For those waters in the watershed attaining water quality standards at the time of submission, the plan identifies those projects and activities necessary to maintain water quality standards in the future.

"(F) Any other condition the Administrator may establish by guidance or regulation.

"(2) PLANNING AND IMPLEMENTATION SCHEDULE.—Each plan submitted and approved under this subsection shall include a planning and implementation schedule for a period of at least 5 years. The approval of the Administrator of a plan shall apply for a period not to exceed 5 years. A revised and updated plan may be submitted prior to the expiration of the period specified in the preceding sentence for approval pursuant to the same conditions and requirements that apply to any initial plan for a watershed that is approved pursuant to this subsection.

"(3) DELEGATION OF AUTHORITY.—

"(A) IN GENERAL.—The Administrator may delegate to a State the authority to approve watershed plans under this subsection, if—

"(i) the State submits a program to the Administrator that is no less stringent that the guidance issued under subsection (i); and

"(ii) the Administrator approves the State program and the Administrator periodically reviews State decisions to approve specific watershed plans to determine whether the plans comply with the requirements of this subsection and the guidance issued by the Administrator.

"(B) REVOCATION.—If at any time after delegating authority to a State pursuant to subparagraph (A), the Administrator determines that a State is not meeting a requirement referred to in such subparagraph, the Administrator may revoke the delegation.

"(h) INCENTIVES FOR WATERSHED PLANNING.—

"(1) PROJECTS AND ACTIVITIES.—Projects and activities identified in an approved plan as necessary for attainment and maintenance of water and sediment quality standards applicable to the waters within the watershed management unit, and not otherwise required by this or other Federal law, shall—

"(A) be eligible for funding under section 603(c)(1)(F);

"(B) be included in any needs assessment conducted pursuant to section 516; and

"(C) be eligible for funding under section 604(a)(2)(C).

"(2) ACTIVITIES OF FEDERAL AGENCIES.—

"(A) IN GENERAL.—Each activity of a Federal agency that affects land use, water quality, or the natural resources within a watershed planning unit for which a plan has been approved pursuant to subsection (g) shall be carried out in a manner that is consistent with the policies established in the plan.

"(B) EXEMPTION.—Notwithstanding subparagraph (A), the President may exempt a Federal agency activity from the requirements of a plan approved under subsection (g) if the President determines that it is in

the paramount interest of the United States to exempt the Federal agency.

"(3) LIMITATION.—

"(A) IN GENERAL.—Notwithstanding section 301(b)(1)(C), and subject to the requirements of section 402(o), the Administrator or a State may issue a permit to a point source that includes a limitation for a pollutant to be discharged by the source to a specific portion of a navigable water that does not ensure attainment and maintenance of water quality standards (alone, or in combination with, limitations issued for other point sources discharging to the water), if—

"(i) the water is part of a watershed management unit for which a plan has been approved under subsection (g); and

"(ii) the plan includes enforceable requirements that have been imposed under State or local law for nonpoint source pollution load reductions that, in combination with the limitations established for point sources, provide for the attainment and maintenance of water quality standards for the waters prior to expiration of the plan.

"(B) EXTENSION OF TERM.—Notwithstanding section 402(b)(1)(B), the Administrator or a State is authorized to grant an extension of the term of any permit issued pursuant to section 402 for a period not to exceed 4 years after the date of enactment of this section for any source—

"(i) that is located in an area that is designated as a watershed planning unit; and

"(ii) for which the Governor of the State indicates to the Administrator in writing, prior to the expiration date of the permit (as in effect on the date of enactment of this section), an intention to prepare and submit a watershed management plan for approval under subsection (g).

"(4) EXTENSION FOR APPROVED PLAN.—Notwithstanding section 402(b)(1)(B), the term of a permit issued to a point source under section 402 may be extended to be a term of 10 years for any point source located in a watershed management unit for which a plan has been approved under subsection (g), if the plan provides for the attainment and maintenance of water quality standards (including designated uses) in waters affected by the discharge from the point source that is the subject of the permit for the entire term of the permit subject to the extension. Notwithstanding the preceding sentence, any permit issued pursuant to this section shall be renewed and revised as necessary to attain and maintain water quality standards if at any time during the term of the permit the waters affected by the discharge do not meet water quality standards.

"(i) GUIDANCE.—Not later than 18 months after the date of enactment of this section, the Administrator shall issue guidance for the comprehensive watershed management and planning under this section that specifies minimum requirements for watershed designation, legal authorities and financial resources for management entities, public participation, and elements necessary for approval of a watershed management plan pursuant to subsection (g).

"(j) STATE WATER LAW.—Nothing in this section is intended to amend, supersede, or abrogate any right to a quantity of water that has been established by any interstate water compact, Supreme Court decree, State water law, or any requirement imposed, or right provided under, any Federal or State environmental or public health law.".

SEC. 303. IMPAIRED WATERS IDENTIFICATION.

Subsection (a) of section 319 (33 U.S.C. 1329(a)) is amended to read as follows:

"(a) IMPAIRED WATERS.—

"(1) IMPAIRED WATERS.—

"(A) IN GENERAL.—Not later than 2 years after the date of enactment of clause (i), each State shall submit to the Administrator a list of waters within the State that cannot, without additional action to control nonpoint sources of pollution, reasonably be anticipated to attain or maintain—

"(i) water quality standards for the waters; or

"(ii) a water quality that will ensure the protection of public health and public water supplies, and the protection and propagation of a balanced population of shellfish, fish, and wildlife and allow for recreational activities in and on the water.

"(B) CONTENTS OF LIST.—A list submitted pursuant to this paragraph shall include, at a minimum, waters listed pursuant to sections 304(*l*)(1)(A) and 319(a)(1)(A) for which individual control strategies have been promulgated, unless the State demonstrates that the waters do not meet the listing criteria referred to in subparagraph (A).

"(C) ADDITIONS TO LIST.—

"(i) ACTION BY A STATE.—A State may add to the list submitted to the Administrator pursuant to subparagraph (A) any waters within the State that the State determines to be—

"(I) threatened with impairment; or

"(II) an outstanding national resource water, as designated pursuant to section 303(g).

"(ii) ACTION BY THE ADMINISTRATOR.—The Administrator may add a water to a list submitted by a State, or expand an area identified pursuant to subparagraph (E) if the water meets the listing criteria referred to in subparagraph (A).

"(D) FAILURE BY STATE.—In any case in which a State fails to submit a list pursuant to this paragraph by the date specified in subparagraph (A), the Administrator shall carry out the requirements of this paragraph not later than 1 year after the date specified.

"(E) DELINEATION OF WATERSHED.—The list prepared pursuant to this paragraph shall include a delineation of the land area within the State of the watershed of a listed water. The delineated area shall include all sources of pollution within the State that cause, or contribute to, the impairment of the water quality of the water. In any case in which the watershed areas of individual impaired waters overlap, a State may combine waters to form a single watershed area for the purposes of the inclusion of the watershed area on the list prepared pursuant to subparagraph (A).

"(F) PUBLIC REVIEW AND COMMENT.—Each State shall provide an opportunity for public review and comment on the list prepared pursuant to this paragraph and shall, at a minimum, hold at least 1 public hearing concerning the list not later than 60 days prior to submittal of the list to the Administrator.

"(G) PETITION.—Any person may submit to the State in which the person resides a petition for the listing of a water pursuant to this paragraph. In any case in which a petition establishes that a water meets the listing criteria referred to in subparagraph (A), or in the case of a petition for listing pursuant to paragraph (4) if the waters meet the requirements of paragraph (4), the State shall add the waters to the list prepared pursuant to subparagraph (A).

"(H) APPROVAL BY ADMINISTRATOR.—The Administrator shall review each list required to be prepared pursuant to this paragraph not later than 90 days after receipt of the list. If the Administrator finds that the list is consistent with the requirements of this subsection, the Administrator shall, after notice and opportunity for public comment, approve the list. The approval or disapproval by the Administrator of a list shall constitute final agency action for the purposes of section 509. The court shall not set aside or reward a decision to list a water unless the court decides, on the basis of the rulemaking record, that the decision was arbitrary and capricious, or otherwise in violation of law.

"(2) REASSESSMENT OF IMPAIRED WATERS.—Not later than 7 years after the date of enactment of subparagraph (A), and every 5 years thereafter, each State shall submit to the Administrator a list of waters and a description of watershed areas of the waters in a manner consistent with the procedures for listing a watershed under paragraph (1). The list shall also include waters that fail to meet—

"(A) biological monitoring regulations established pursuant to the information published pursuant to section 304(a)(8); or

"(B) standards for pollutants adopted pursuant to section 303 associated with nonpoint sources.".

SEC. 304. NONPOINT POLLUTION CONTROL.

(a) MANAGEMENT PROGRAM REVISION.—Section 319 (33 U.S.C. 1329) is amended—

(1) in subsection (b)—

(A) in paragraph (1)—

(i) by inserting before "The Governor of each State" the following new sentence: "Not later than 30 months after the date of enactment of the Water Pollution Prevention and Control Act of 1993, the Governor of each State shall prepare and submit to the Administrator a revised management program."; and

(ii) by adding at the end of the paragraph the following new sentence: "Each management program prepared under this subsection shall be consistent with the guidance developed under subsection (c).";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "paragraph (1)(B)," and all that follows through the end of the subparagraph and inserting the following: "subsection (c)(2)(A), except that the State may exempt a category of sources on the basis of a demonstration to the Administrator that the category of sources does not cause impairment to the waters within the State.";

(ii) in subparagraph (B), by adding at the end the following new sentence: "Except for categories, subcategories, or sources addressed pursuant to subsection (f), the programs and management practices shall be consistent with guidance published pursuant to subsection (c).";

(iii) by striking subparagraph (C) and inserting the following new subparagraph:

"(C) A schedule containing annual milestones for the implementation of management measures as expeditiously as practicable but not later than 3 years after the date of approval of the program for new sources";

(iv) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(v) by inserting after subparagraph (D) the following new subparagraph:

"(E) For any source in a category or class of sources listed in guidance developed under subsection (c) that is also in the watershed delineated under section 319(a)(1)—

"(i) the implementation of management measures as expeditiously as practicable, but not later than 3 years after the date of approval of the program; or

"(ii) the development of site-specific water quality plans pursuant to subsection (f) as expeditiously as practicable, but not later than 3 years after the date of approval of the program, including appropriate agreements with the Secretary of Agriculture or appropriate State agencies for the development of each plan.";

(C) by striking paragraph (3) and inserting the following new paragraph:

"(3) REVISION OF PLANS.—

"(A) IN GENERAL.—Not later than 7 years after the date of enactment of the Water Pollution Prevention and Control Act of 1993, each State shall review and revise the plan developed pursuant to paragraph (2) in a manner consistent with the requirements of this section.

"(B) SITE-SPECIFIC WATER QUALITY PLANS.—Each plan submitted pursuant to this paragraph may provide for the implementation of site-specific water quality plans pursuant to paragraph (2)(E)(ii) only if the plan is for a source within the watershed area of an impaired water with respect to which the Administrator has approved a watershed plan pursuant to section 321.

"(C) ENFORCEMENT.—Each plan developed pursuant to this paragraph shall provide for the necessary legal authority to ensure the implementation of management measures for existing sources and new sources and measures required under plans developed under a program referred to in subsection (b). The legal authority shall include, at a minimum, the authority to seek injunctive relief for the failure to implement a measure referred to in the preceding sentence.

"(D) FAILURE TO SUBMIT PLAN.—If a State fails to submit a plan pursuant to this paragraph, or the Administrator does not approve the plan, not later than 1 year after the deadline for the submittal of the plan to the Administrator, or 1 year after the Administrator disapproves the plan, the Administrator shall publish a regulation providing for the implementation of enforceable minimum control measures for categories of sources in the State that is consistent with this subsection. The Administrator may use the sums allocated to the State under subsection (h) to implement the regulation (including making grants to substate agencies approved by the Administrator pursuant to subsection (e)).";

(D) by striking paragraph (4) and inserting the following new paragraph:

"(4) PUBLIC AND AGENCY INVOLVEMENT.—In developing and implementing a management program under this subsection, a State shall provide for public review and comment and shall cooperate with local, State, and interstate entities."; and

(E) by adding at the end the following new paragraphs:

"(5) ECONOMIC CAPABILITY.—A State may, with the approval of the Administrator, adopt alternative requirements with respect to a specific nonpoint source of pollution based on a showing by the owner or operator of the source that the modified requirements will—

"(A) represent the maximum use of management measures and practices within the economic capability of the owner or operator; and

"(B) result in reasonable further progress toward elimination of pollution.

"(6) DEFINITIONS.—As used in this section:

"(A) EXISTING SOURCE.—The term 'existing source' means any nonpoint source, category, or subcategory of sources that is not a new source.

"(B) NEW SOURCE.—The term 'new source' means any source, category, or subcategory of sources that is described in one of the following clauses:

"(i) The development or significant redevelopment of a commercial or residential site of 5 or more acres that is not subject to a stormwater permit issued under section 402(p).

"(ii) The construction or significant reconstruction of a road, highway, or bridge that is not subject to a stormwater permit issued under section 402(p).

"(iii) The harvesting of timber or the construction of a forest road.

"(iv) The construction or significant expansion of an animal feeding operation that is not subject to a permit issued under section 402.

"(v) A category or subcategory of new sources established by the Administrator under subsection (c).

"(vi) A source, category, or subcategory of sources designated as a new source by a State.";

(2) by striking subsection (c) and inserting the following new subsection:

"(c) NATIONAL PROGRAM GUIDANCE.—

"(1) IN GENERAL.—The Administrator, in consultation with the heads of other Federal agencies, shall publish guidance that specifies elements of nonpoint pollution management programs.

"(2) GUIDANCE CONTENTS.—The guidance published under this subsection shall include, at a minimum—

"(A) a description of categories and subcategories of sources of nonpoint pollution;

"(B) management measures appropriate to each category or subcategory of source identified in subparagraph (A), including a description of each method or practice, structural or nonstructural control, and operation and maintenance procedure, that constitutes each measure;

"(C) program implementation criteria appropriate to ensure the implementation of management measures;

"(D) methods to estimate reductions in nonpoint pollution loads necessary to attain and maintain water quality and sediment quality standards and achieve the goals and requirements of this Act; and

"(E) any necessary monitoring to assess over time the success of management measures in reducing nonpoint pollution loads and improving water quality.

"(3) PUBLICATION OF GUIDANCE.—Not later than 90 days after the date of enactment of this paragraph, the Administrator shall publish proposed guidance pursuant to this subsection, and the Administrator shall publish final guidance not later than 180 days after such date of enactment.

"(4) REVIEW.—The Administrator shall provide the heads of interested Federal agencies, States, and other interested persons with an opportunity to provide written comments on proposed guidance under this subsection.

"(5) REGIONAL VARIATION.—The Administrator may, on the recommendation of an administrator of a regional office of the Environmental Protection Agency, modify management measures pursuant to paragraph (2)(B) to reflect special conditions in the region under the jurisdiction of the administrator of the regional office. The modification shall apply to each State in the region.

"(6) DEFINITIONS.—As used in this subsection:

"(A) MANAGEMENT MEASURES.—The term 'management measures' means economically achievable measures for the control of the addition of pollutants from existing sources and new sources (as defined in subsection (b)(6)) that reflect the greatest degree of pollutant reduction achievable through the application of the best available nonpoint pollution control practices, technologies, processes, siting criteria, operating methods, or other alternatives.

"(B) PROGRAM IMPLEMENTATION CRITERIA.—The term 'program implementation criteria' means specified characteristics of a program that will result in the effective and reliable implementation of management measures and the maintenance of the management measures over the long-term. In establishing the criteria, the Administrator shall consider any programs in effect that have been demonstrated by 1 or more States to be effective and reliable means of ensuring the implementation and maintenance of a management measure. The term shall include appropriate State statutes, county or municipal ordinances, financial assistance programs, and related enforceable authorities.";

(3) in subsection (d)—

(A) in paragraph (1)—

(i) in the first sentence, by striking "report or" both places it appears; and

(ii) in the third sentence, by striking "report, management program," both places it appears, and inserting "management program";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "(b)(2)" and inserting "(b)";

(ii) in subparagraph (C), by striking "sufficiently expeditious" and inserting "consistent with the guidance referred to in subsection (c)"; and

(iii) in subparagraph (D), by inserting before "adequate to reduce the level of pollution in navigable waters" the following "consistent with the guidance referred to in subsection (c), or otherwise not"; and

(C) by striking paragraph (3) and inserting the following new paragraph:

"(3) GRANT ADJUSTMENT AND REALLOCATION OF FUNDS.—

"(A) GRANT ADJUSTMENT—Beginning with fiscal year 1998, and for each fiscal year thereafter, no grant funds available to a State under this section shall be awarded to a State without a management program that has been approved by the Administrator pursuant to subsection (b).

"(B) REALLOCATION OF FUNDS.—Beginning with fiscal year 1998, and for each fiscal year thereafter, in the case of a State that does not have a management program that has been approved by the Administrator under subsection (b), the Administrator shall reserve a proportionate share for the State of the amount of the grant awarded pursuant to subsection (h) for the preceding fiscal year. The Administrator shall first allocate an amount of the amount reserved among local management programs within the State that have been approved pursuant to subsection (e) in such amounts as the Administrator determines to be appropriate. Any funds that the Administrator does not allocate in accordance with the preceding sentence to support programs approved pursuant to subsection (e), shall be made available to States that have a program approved by the Administrator under subsection (b)."; and

(4) in the first sentence of subsection (e), by striking ", with the approval of such State,".

(b) GRANT ASSISTANCE.—Section 319 (33 U.S.C. 1329) is amended—

(1) in subsection (h)—

(A) by striking paragraph (5) and inserting the following new paragraph:

"(5) ALLOTMENT OF GRANT FUNDS.—

"(A) IN GENERAL.—From the sums appropriated in any fiscal year, the Administrator

shall allocate funds in accordance with such factors as the Administrator considers appropriate.

"(B) RESERVATION OF FUNDS.—For fiscal years 1996 and 1997, prior to the allotment of funds pursuant to subparagraph (A), the Administrator shall reserve an amount equal to 50 percent of the funds available for allotment for the fiscal year for allotment to States on the basis of the ratio of the number of acres of watershed areas of waters listed pursuant to subsection (a) in the State to the total number of acres of watershed areas of waters listed pursuant to such section.

"(C) ALLOTMENT.—Beginning with fiscal year 1998, and for each fiscal year thereafter, prior to allotting funds pursuant to subparagraph (A), the Administrator shall reserve an amount equal to 50 percent of the funds available for allotment to States on the basis of the estimate of the cost of implementing site-specific water quality plans prepared pursuant to subsection (f) within the watershed area of a water with respect to which the Administrator has approved a watershed plan pursuant to section 321.";

(B) in paragraph (6), in the first sentence, by inserting before the period at the end the following: ", and shall remain available for the following fiscal year;";

(C) by striking paragraph (7) and inserting the following new paragraph:

"(7) LIMITATION ON USE OF FUNDS.—

"(A) IN GENERAL.—Each State may use funds from a grant made pursuant to this section to provide financial assistance to a person only to the extent that the assistance is related to the—

"(i) cost of a demonstration project;

"(ii) incentive grant; or

"(iii) land acquisition or conservation easement.

"(B) LIMITATION ON INCENTIVE GRANTS.—An incentive grant may be made only if—

"(i) no other source of Federal assistance is available to implement the measure;

"(ii) the amount of funding for a project provided pursuant to this subsection does not exceed 50 percent of the cost of the project, and the difference between the amount of the funding provided pursuant to this subsection and the cost of the project is paid from non-Federal sources;

"(iii) the amount of the grant does not exceed $5,000 per year;

"(iv) the Administrator determines before awarding the grant that the measure assisted by the grant has a design life in excess of 5 years;

"(v) in making the grants available, the State will give highest priority to areas identified by the State under subsection (a);

"(vi) in making the grants available, the State will give highest priority to persons with the greatest financial need; and

"(vii) not more than 50 percent of all funds made available to a State under this section shall be available for incentive grants.

"(C) LIMITATION ON LAND ACQUISITION AND INCENTIVE GRANTS.—A land acquisition or conservation easement may be funded under this paragraph only if—

"(i) in the case of conservation easement, the conservation easement is consistent with a site-specific control plan; and

"(ii) the amount of funds used for the purposes specified in this subparagraph does not exceed an amount equal to 30 percent of the total amount of funds made available as grants to a State under this subsection.

"(D) INCENTIVE GRANT DEFINED.—As used in this paragraph, the term 'incentive grant' means a grant to an individual to implement a site-specific water quality plan developed pursuant to subsection (f).";

(D) in paragraph (12), by inserting "and incentive grants" after "demonstration projects"; and

(E) by adding at the end the following new paragraph:

"(13) FAILURE TO IMPLEMENT.—If the Administrator determines that a State has substantially failed to implement a plan, or develop site-specific water quality plans, the Administrator shall withhold not less than 25 percent, and not more than 50 percent, of the funds that would otherwise have been available to the State pursuant to this subsection. The amount of funds withheld pursuant to this paragraph shall be allocated to States with a program approved by the Administrator pursuant to subsection (b) and local management programs within the States that have been approved pursuant to subsection (e).."; and

(2) in subsection (j), by inserting after the first sentence the following new sentence: "There are authorized to be appropriated to carry out subsection (h) an amount not to exceed $300,000,000 for fiscal year 1995, $500,000,000 for each of fiscal years 1996 through 1998, and $600,000,000 for each of fiscal years 1999 and 2000.".

(c) SITE-SPECIFIC WATER QUALITY PLANS.—Subsection (f) of section 319 (33 U.S.C. 1329(f)) is amended to read as follows:

"(f) SITE-SPECIFIC WATER QUALITY PLANS.—

"(1) IN GENERAL.—

"(A) SITE-SPECIFIC WATER QUALITY PLANS.—Each source, including an agricultural source, that is located in the watershed area of a water listed pursuant to subsection (a)(1) may implement a site-specific water quality plan in lieu of implementing management measures, as described in subsection (c).

"(B) Each plan developed pursuant to this subsection shall be approved by the appropriate official of a Federal agency or State agency, as specified in the plan developed under subsection (b). With respect to agricultural sources that implement a plan referred to in the preceding sentence, the Secretary of Agriculture shall assist the States in the development and implementation of the plans to the fullest extent practicable.

"(2) REQUIREMENTS FOR PLAN.—

"(A) IN GENERAL.—Each plan developed pursuant to this subsection shall—

"(i) provide for the implementation of management measures that are appropriate to the site, economically achievable by the owner or operator of the source, and will reduce water pollution;

"(ii) recognize and incorporate appropriate management measures in place at the site at the time the plan is developed;

"(iii) establish schedules for the implementation of management measures as expeditiously as practicable, but not later than 3 years after the date of initiation of the plan;

"(iv) provide for a periodic assessment of the implementation of the plan and the effect of management measures; and

"(v) terminate on the date that is 5 years after the date of initiation of the plan.

"(B) MAINTENANCE.—After an initial plan has been prepared pursuant to this subsection, each subsequent plan prepared pursuant to this subsection shall provide for the maintenance of appropriate measures that have been incorporated in a preceding plan, unless the appropriate official determines that a measure is no longer necessary to maintain water quality standards.

"(3) HANDBOOK.—Not later than 18 months after the date of enactment of this paragraph, and as appropriate thereafter, the Administrator, in consultation with the Secretary of Agriculture and the heads of other appropriate Federal agencies and the States, shall publish a handbook to assist the development of plans for agricultural sources pursuant to this subsection.

"(4) EFFECT OF CONSERVATION COMPLIANCE PLAN.—

"(A) IN GENERAL.—Any agricultural source required to have a plan prepared pursuant to this subsection that has satisfied a conservation compliance plan developed pursuant to subtitle B of title 12 of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.) shall be deemed to satisfy the requirement of paragraph (1) until the date specified in subsection (a)(3).

"(B) SUBSEQUENT PERIOD.—After the date specified in subsection (a)(3), a conservation compliance plan that meets the applicable requirements of a comprehensive watershed management plan developed under section 321 shall be deemed to satisfy the requirements of paragraph (1).".

(d) FEDERAL PROGRAM COORDINATION.—

(1) AGRICULTURAL COST-SHARE PROGRAMS.—

(A) AMENDMENTS TO THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT.—

(i) PREVENTION OF SOIL EROSION.—The first sentence of section 7(a) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590g(a)) is amended by inserting ", giving priority consideration to watersheds of waters identified pursuant to section 319(a) of the Federal Water Pollution Control Act (33 U.S.C. 1329(a)" before the period.

(ii) PRIORITY FOR CERTAIN WATERSHEDS.—The fourth undesignated paragraph of section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) is amended by inserting before the comma at the end of subparagraph (D) the following: ", giving priority consideration to watersheds of waters identified pursuant to section 319(a) of the Federal Water Pollution Control Act (33 U.S.C. 1329(a))".

(B) AGRICULTURAL WATER QUALITY PROTECTION PROGRAM.—Section 1238C(a) of the Food Security Act of 1985 (16 U.S.C. 3838c(a)) is amended—

(i) in paragraph (7), by striking "or" at the end;

(ii) in paragraph (8), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following new paragraph:

"(9) the watershed of a water identified pursuant to section 319(a) of the Federal Water Pollution Control Act (33 U.S.C. 1329(a)).".

(C) ENVIRONMENTAL EASEMENT PROGRAM.—Section 1239(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3839(b)(1)) is amended—

(i) in subparagraph (B), by striking "or" at the end;

(ii) in subparagraph (C), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following new subparagraph:

"(D) is located within the watershed of a water identified pursuant to section 319(a) of the Federal Water Pollution Control Act (33 U.S.C. 1329(a)).".

(D) CONSERVATION PRIORITY AREAS.—Section 1231(f)(1) of the Food Security Act of 1985 (16 U.S.C. 3831(f)(1)) is amended by adding at the end the following new sentence: "The Secretary shall designate watershed areas of waters identified pursuant to section 319(a) of the Federal Water Pollution Control Act (33 U.S.C. 1329(a)) as conservation priority areas.".

(2) CONSERVATION RESERVE PROGRAM.—Section 319(k) (33 U.S.C. 1329(k)) is amended—

(A) by striking "The Administrator shall transmit" and inserting the following:

"(1) IN GENERAL.—The Administrator shall transmit"; and

(B) by adding at the end the following new paragraphs:

"(2) AGRICULTURAL PROGRAM COORDINATION.—

"(A) IN GENERAL.—The Administrator shall provide technical assistance to the Secretary of Agriculture with respect to utilizing the authorities of the Secretary to reduce agricultural and related sources of nonpoint source pollution in a manner consistent with subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3830 et seq.).

"(B) IDENTIFICATION OF LANDS.—Not later than 1 year after the date of enactment of this paragraph, and annually thereafter, the Administrator shall identify, on the basis of the assessment reports submitted by the States and approved by the Administrator under subsection (a) (or developed by the Administrator for the States pursuant to subsections (a), (d), and (e)) and such other information as is available to the Administrator, those lands that, if enrolled in the conservation reserve program of the Department of Agriculture, would contribute to the protection of the environment by reducing nonpoint source pollution. If appropriate, the lands identified may include lands that are not erodible but that pose an off-farm environmental threat, as determined pursuant to section 1231(c)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(c)(2)).

"(C) PROVISION OF LIST TO SECRETARY OF AGRICULTURE.—The Administrator shall furnish the list of the lands identified pursuant to subparagraph (B) to the Secretary of Agriculture to assist the Secretary in establishing priorities for expenditures under the conservation reserve program and shall make the list available to the States and to the public.

"(D) RESPONSE TO LIST.—Not later than 180 days after receiving the list referred to in subparagraph (C), the Secretary shall provide the Administrator with a report that describes the actions the Secretary will take to respond to the list. The Secretary shall provide a detailed explanation of any recommendation of the Administrator that the Secretary will not implement.".

(3) FEDERAL LANDS AND HIGHWAYS.—Subsection (*l*) of section 319 (33 U.S.C. 1329(*l*)) is amended to read as follows:

"(*l*) FEDERAL LANDS AND HIGHWAYS.—

"(1) FEDERAL LANDS.—

"(A) IN GENERAL.—The President shall direct the heads of appropriate Federal agencies that own or manage land to implement regulations that shall take effect not later than the date of enactment of this paragraph, to ensure the implementation of appropriate measures to control nonpoint sources of water pollution, including, at a minimum—

"(i) management measures identified pursuant to subsection (c) for new sources; and

"(ii) for a watershed area of a water identified pursuant to subsection (a), the implementation of management measures identified pursuant to subsection (c) or the implementation of a site-specific water quality plan pursuant to subsection (f).

"(B) SCHEDULES; EFFECTIVE DATE.—

"(i) SCHEDULES.—Each schedule for the development of management measures and site-specific water quality plans, and each schedule for the implementation of the measures or plans, shall be consistent with any schedule established by a State under a program established by the State pursuant to subsection (b).

"(ii) EFFECTIVE DATE.—The requirements of this paragraph shall take effect on a date specified by the President, but not later than 3 years after the date of enactment of this paragraph.

"(C) AUTHORITIES.—Any license, permit, contract, special use permit, lease, agreement, claim, or related operational authority between a Federal agency and any person authorizing activities on Federal lands in effect on the day before the date specified in subparagraph (B)(ii) may remain in effect for the term of the authority or a period of 5 years (beginning on the date specified in subparagraph (B)(ii)), whichever is less.

"(D) STATUTORY CONSTRUCTION.—Nothing in this paragraph is intended to limit or constrain the authority of a State or the Administrator to require the implementation of such additional controls over nonpoint sources of pollution on Federal lands as may be necessary to attain and maintain standards adopted pursuant to section 303 or other requirements of this Act.

"(2) HIGHWAY CONSTRUCTION.—

"(A) IN GENERAL.—The Administrator, in cooperation with the Secretary of Transportation, shall develop measures and practices to prevent water pollution resulting from highway construction and promote the implementation of the measures and practices.

"(B) CERTAIN PROJECTS.—The guidelines developed by the Secretary of Transportation pursuant to section 1057 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102-240; 105 Stat. 2002) shall, at a minimum, require the implementation of management measures specified under subsection (c) in the case of any construction project funded in whole or in part under title I of such Act. The Secretary shall withhold funds for any project referred to in the preceding sentence unless the Secretary determines that the project will comply with the guidelines.".

(e) ANIMAL WASTE MANAGEMENT FACILITIES.—Section 319 (33 U.S.C. 1329) is amended by adding at the end the following new subsection:

"(o) ANIMAL WASTE MANAGEMENT FACILITIES.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of this paragraph, the Administrator, in consultation with the Secretary of Agriculture, shall publish guidelines for the design of animal waste management facilities. The guidelines shall include—

"(A) general standards concerning the proper design of facilities;

"(B) minimum elements of plans for construction of facilities at a specific site;

"(C) specifications concerning minimum construction standards; and

"(D) such other requirements and information as, in the judgment of the Administrator, are necessary and appropriate.

"(2) PLAN.—Any person may submit to the Administrator (or in the case of a State with a plan approved by the Administrator under subsection (d), the State) a plan for the construction of an animal waste management facility. Each plan shall—

"(A) be consistent with the guidelines developed pursuant to paragraph (1) and subsection (c); and

"(B) include an estimate of the total cost for the construction of the facility.

"(3) PLAN APPROVAL.—The Administrator, with the concurrence of the Secretary of Agriculture, shall review and approve or disapprove any plan for the construction of an animal waste management facility submitted pursuant to this subsection. Upon approval of a plan, the facility shall be eligible for assistance under title VI.

"(4) TECHNICAL ASSISTANCE.—The Secretary of Agriculture may provide technical assistance to persons concerning the design of animal waste management facilities. The assistance may include the design of facilities to account for site-specific conditions and the integration of the facilities into related agricultural activities.

"(5) DEFINITION.—As used in this subsection, the term 'animal waste management facility' means a facility for the storage, treatment, or disposal of animal waste.".

(f) SUBSURFACE SEWAGE DISPOSAL.—Section 319 (33 U.S.C. 1329), as amended by subsection (e), is further amended by adding at the end the following new subsection:

"(p) SUBSURFACE SEWAGE DISPOSAL.—

"(1) IN GENERAL.—Not later than 2 years after the date of enactment of this subsection, the Administrator shall publish guidelines for the design, operation, and management of publicly owned subsurface sewage organizations.

"(2) OPERATION AND MANAGEMENT STANDARDS.—The guidelines published pursuant to this subsection shall provide such standards of operation and management as the Administrator determines to be necessary to ensure that subsurface sewage disposal units operated by an organization referred to in paragraph (1) will provide treatment adequate to protect water quality .

"(3) CONTENTS OF GUIDELINES.—At a minimum, the guidelines published pursuant to this subsection shall—

"(A) specify standards for the design and location of new subsurface sewage disposal systems;

"(B) specify maintenance requirements and schedules for existing systems (existing at the time of publication of the guidelines);

"(C) establish financial management and control practices, including a requirement for a user charge sufficient to ensure the effective operation of each system;

"(D) require appropriate provision for management or disposal of waste material for systems; and

"(E) address such other matters as the Administrator determines to be appropriate.

"(4) PLAN.—Beginning on the date that is 2 years after the date of enactment of this subsection, any person may submit to the Administrator (or in the case of a State with a plan approved under subsection (d), the State) a plan for the establishment of a subsurface sewage disposal organization pursuant to this subsection.

"(5) APPROVAL OF PLAN.—The Administrator, with the concurrence of the State, shall approve the plan if the Administrator determines that the plan meets the requirements of this subsection. Upon approval of the plan, the organization shall be eligible for assistance pursuant to title VI.".

(g) STATE WATER LAW.—Section 319 (33 U.S.C. 1329), as amended by subsection (f), is further amended by adding at the end the following new subsection:

"(q) STATE WATER LAW.—Nothing in this section is intended to supersede, abrogate, or otherwise impair the right of any State to allocate quantity of water within the State.".

TITLE IV—MUNICIPAL POLLUTION CONTROL

SEC. 401. COMBINED SEWER OVERFLOWS.

Section 402 (33 U.S.C. 1342), as amended by section 205(b), is further amended by adding at the end the following new subsection:

"(r) COMBINED SEWER OVERFLOWS.—

"(1) REQUIREMENT FOR PERMITS.—Each permit issued pursuant to this section for a discharge from a combined storm and sanitary sewer shall conform with the combined sewer overflow control policy published by the Administrator at 58 Fed. Reg. 4994 (January 19, 1993).

"(2) TERM OF PERMIT.—Notwithstanding any compliance schedule under section 301(b), or any permit limitation under section 402(b)(1)(B), the Administrator may issue a permit pursuant to this section for a discharge from a combined storm and sanitary sewer, that includes a schedule for compliance with a long-term control plan under the control policy referred to in paragraph (1) for a term not to exceed 15 years. Notwithstanding the compliance deadline specified in the preceding sentence, the Administrator may, on request of an owner or operator of a combined storm and sanitary sewer, extend the period of compliance beyond the date specified if the Administrator determines that compliance by the date is not within the economic capability of the owner or operator, or if the Administrator determines that an extension is otherwise appropriate.

"(3) BACTERIA.—A permitting authority may not issue a permit under paragraph (2) unless, after the date of enactment of this subsection—

"(A) the Administrator has reviewed and approved the water quality standards for bacteria adopted by the State in which the discharger is located; or

"(B) the criteria are published in the water quality criteria for bacteria published by the Administrator as described in 51 Fed. Reg. 8012 (March 7, 1986).".

SEC. 402. STORMWATER MANAGEMENT.

Section 402(p) (33 U.S.C. 1342(p)) is amended—

(1) by striking paragraph (1);

(2) by redesignating paragraph (2) as paragraph (1);

(3) in paragraph (1) (as so redesignated)—

(A) by striking the matter preceding subparagraph (A) and inserting the following:

"(1) IN GENERAL.—A permit issued under this section shall be required for each of the following discharges composed entirely of stormwater:"; and

(B) by adding at the end the following new subparagraph:

"(F) A discharge from a municipal separate storm sewer system serving a population of fewer than 100,000 individuals covered by a permit issued under subparagraph (C) or (D) that is located in an urbanized area (as designated by the Bureau of the Census of the Department of Commerce), except that the requirements of this subparagraph shall apply beginning on the date of the first reissuance of a permit for a discharge under subparagraph (C) or (D) for the same urbanized area that occurs after the date that is 3 years after the date of enactment of this subparagraph.";

(4) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) OTHER STORMWATER DISCHARGES.—Except as provided in paragraph (1)(E), the Administrator (or the State, in the case of a State with the authority to issue permits under this section) may not require a permit under this section for a discharge composed entirely of stormwater if—

"(A) the discharge is from a municipal separate storm sewer system serving a population of fewer than 100,000 individuals that is not located in an urbanized area (as designated by the Bureau of the Census of the Department of Commerce) covered by a permit issued under subparagraph (C) or (D) of paragraph (1);

"(B) the discharge is from a construction activity that disturbs an area of less than 5 acres, except that a discharge from a construction activity that disturbs an area of greater than 1 acre and less than 5 acres in an urbanized area (as designated by the Bureau of the Census of the Department of Commerce) subject to permit requirements under subparagraph (C), (D), or (F) of paragraph (1) shall be required to have a permit if a State or local stormwater management program does not impose controls on the discharge; or

"(C) the discharge is from a gasoline station, except that a discharge from a gasoline station in an urbanized area (as designated by the Bureau of the Census of the Department of Commerce) subject to permit requirements under subparagraph (C), (D), or (F) of paragraph (1) shall be required to have a permit if a State or local stormwater management program does not impose controls on the discharge.";

(5) in paragraph (3), by adding at the end the following new subparagraph:

"(C) MAXIMUM EXTENT PRACTICABLE DEFINED.—

"(i) IN GENERAL.—For the purposes of subparagraph (B)(iii) and permits issued not later than 2 years after the date of enactment of this subparagraph, the term 'maximum extent practicable' means applying management measures, as defined in section 6217(g)(5) of the Coastal Zone Act Reauthorization Amendments of 1990 (16 U.S.C. 1455b(g)(5)), in the manner prescribed in guidance issued pursuant to such section.

"(ii) EXPANDED DEFINITION.—For the purposes specified in clause (i), after the date that is 2 years after the date of enactment of this subparagraph, the term 'maximum extent practicable' has the meaning provided in clause (i), except that the term also includes applying other appropriate management measures in a manner prescribed by the Administrator in guidance. The Administrator shall issue the guidance not later than 2 years after the date of enactment of this subparagraph.";

(6) in paragraph (4), by striking "(2)" each place it appears and inserting "(1)"; and

(7) by striking paragraphs (5) and (6) and inserting the following new paragraphs:

"(5) MONITORING AND REPORTING REQUIREMENTS.—Each municipality subject to the requirements of this subsection shall be subject to—

"(A) monitoring requirements for the quality of receiving waters; and

"(B) reporting requirements for the implementation of management measures.

"(6) REVISED MUNICIPAL PERMITS.—

"(A) IN GENERAL.—Not later than 5 years after the initial date of issuance of a permit under paragraph (4), the Administrator (or the State, in the case of a State with the authority to issue permits under this section) shall review each permit issued under such paragraph and include in each reissued permit management measures that ensure the attainment and maintenance of water quality standards and the requirements of the guidance referred to in paragraph (3)(C).

"(B) WAIVER.—With respect to a permit issued under this paragraph, during the term of the permit, the Administrator may not require compliance with a numeric effluent limitation or a water quality standard.

"(7) DELAYED COMPLIANCE.—During the 10-year period beginning on the date of enactment of this paragraph, the Administrator (or the State, in the case of a State with the authority to issue permits under this section) may not require, in a permit issued under this subsection, compliance with a numeric effluent limitation or a water quality standard directly, except as reflected in management measures required under paragraph (6)(A).

"(8) NATIONAL SOURCE CONTROLS.—

"(A) IN GENERAL.—The Administrator shall—

"(i) identify and assess the relative degree of contribution of pollutants to stormwater from various sources (including household products, motor vehicles, and other sources); and

"(ii) assess the availability and cost of alternatives and substitutes for the pollutants identified pursuant to clause (i).

"(B) SUBSTITUTIONS OR REDUCTIONS.—In any case in which the Administrator determines that—

"(i) a pollutant found in stormwater causes or contributes to a significant impairment in water quality or a significant violation of water quality standards as a result of a discharge of the pollutant in stormwater; and

"(ii) a reasonably available and economically achievable alternative or substitute to the pollutant, or the source associated with the pollutant, is available,

the Administrator may, by regulation, require each manufacturer of the pollutant or source of the pollutant to implement a phased substitution or reduction in the manufacture of the pollutant or source in accordance with a schedule that takes into account the cost of the substitution or reduction.

"(C) REPORT.—Not later 2 years after the date of enactment of this paragraph, and biennially thereafter, the Administrator shall submit a report to Congress that describes the implementation of this paragraph.".

SEC. 403. WATER CONSERVATION.

Section 113 (33 U.S.C. 1263) is amended to read as follows:

"SEC. 113. WATER CONSERVATION.

"(a) INTERGOVERNMENTAL COORDINATION.—

"(1) IN GENERAL.—The Environmental Protection Agency shall be the primary coordinator for all policies of the Federal Government related to municipal, commercial, residential, and industrial water conservation.

"(2) CONSULTATION WITH AGENCY HEADS.—To carry out this section, the Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall, to the greatest extent practicable, consult with the heads of other Federal agencies that participate in water resource planning, development, and management.

"(3) CONSULTATION WITH OTHER OFFICIALS.—To carry out this section, the Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall, to the greatest extent practicable, consult with appropriate officials of State and local governments, educational institutions, trade associations, scientific organizations, businesses, and other organizations with expertise and experience with respect to water conservation.

"(b) TECHNICAL ASSISTANCE TO STATES AND MUNICIPALITIES.—

"(1) IN GENERAL.—The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, acting alone or through a contracting party, is authorized to provide technical assistance to States, public and private water utilities, local governmental entities, and other appropriate public agencies and authorities with respect to—

"(A) conducting a promotional and educational campaign to encourage consumers to use water more efficiently;

"(B) implementing financial or other incentives for users of water to conserve water, including universal metering of water users and the reform of water rates to promote conservation;

"(C) detecting and correcting leaks in water distribution and collection systems;

"(D) promoting, distributing, and installing water-saving technologies, fixtures, or equipment for users of water;

"(E) incorporating water-saving technologies into building codes and standards;

"(F) establishing coordinated regional management of water and sewer systems;

"(G) auditing water use;

"(H) reclaiming, recycling, and reusing wastewater;

"(I) promoting water-efficient vegetative cover and landscaping; and

"(J) otherwise achieving beneficial reductions in water use or water loss.

"(2) DUTIES OF THE SECRETARY OF THE ARMY.—

"(A) IN GENERAL.—The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall, on a regular basis, make available information to potential recipients of the assistance referred to in paragraph (1) concerning the programs, offerings, and activities of Federal agencies with respect to water conservation.

"(B) CONSULTATION.—In order to better target limited resources to potential recipients, the Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall consult, on a regular basis, with the heads of other Federal water resources development agencies to determine which States, areas, water utilities, and municipalities are experiencing water capacity shortfalls or will likely experience the shortfalls.

"(3) MODEL WATER CONSERVATION PROGRAMS.—The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall develop, update, maintain, and disseminate a series of model water conservation programs for States, water utilities, and municipalities.

"(4) REQUESTS FOR STUDY.—

"(A) IN GENERAL.—Any water utility or municipality may request the Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, to—

"(i) undertake a study of the feasibility, impacts, costs, and benefits of then current and potential water conservation activities; and

"(ii) recommend actions for beneficial reductions in water use or loss.

"(B) PRIORITIES.—The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall give priority to the water conservation studies referred to in subparagraph (A) on the basis of the potential for—

"(i) protection of the environment; and

"(ii) reducing costs to Federal, State, and local governments for water supply and wastewater treatment facilities.

"(C) AMOUNT OF ASSISTANCE.—The amount of Federal funds for a water conservation study under this subsection of any State, water utility, or municipality serving more than 5,000 individuals shall be not less than 50 percent of the cost of the study. The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, may waive the 50 percent matching requirement for a water utility or municipality that serves a population of fewer than 5,000 individuals.

"(5) REVIEWS.—

"(A) IN GENERAL.—The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, shall collect information concerning water conservation projects, including projects assisted under paragraph (4), and make the information widely available to the public in a timely manner.

"(B) REQUIREMENTS FOR REVIEWS.—The reviews shall—

"(i) evaluate the effectiveness of various water conservation measures; and

"(ii) provide information to assist the Secretary in providing technical assistance.

"(c) TECHNICAL ASSISTANCE TO BUSINESSES AND INSTITUTIONS.—The Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers, may provide assistance that is comparable to the assistance provided under subsection (b) to businesses and other persons. The Federal cost of the assistance shall be fully reimbursed by the recipient of the assistance.

"(d) NATIONAL CLEARINGHOUSE ON WATER CONSERVATION.—

"(1) IN GENERAL.—The Administrator shall establish a national clearinghouse on water conservation (referred to in this subsection as the 'clearinghouse') to—

"(A) collect, analyze, and disseminate information on water conservation technologies and practices; and

"(B) promote the widespread adoption of the technologies and practices referred to in subparagraph (A) by public and private water utilities, and commercial, industrial, and residential consumers.

"(2) REQUIREMENTS FOR INFORMATION.—The information referred to in paragraph (1) shall include information referred to in, and information obtained under, subsections (b) and (c).

"(3) COLLECTION OF INFORMATION.—The clearinghouse shall collect reliable water conservation information. On request, the Administrator shall provide the information to Federal agencies, States, local governments, other appropriate public agencies and authorities, nonprofit institutions and organizations, businesses and industries, researchers, private individuals, and other persons and entities in a position to derive or increase the public benefits offered by the technologies, methods, and practices related to water conservation described in this subsection.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section an amount not to exceed $10,000,000 for each of fiscal years 1994 through 2000, of which not less than $500,000 for each fiscal year are authorized to be appropriated to the Environmental Protection Agency to carry out subsection (d).".

TITLE V—PERMIT PROGRAM AND ENFORCEMENT

SEC. 501. PERMIT FEES.

(a) IN GENERAL.—Section 402 (33 U.S.C. 1342), as amended by section 401, is further amended by adding at the end the following new subsection:

"(s) PERMIT FEES.—

"(1) IN GENERAL.—

"(A) MODIFICATION.—

"(i) IN GENERAL.—Not later than 2 years after the date of enactment of this subsection, or the applicable date specified in clause (ii), the Governor of each State that administers a permit program under subsection (b) shall submit to the Administrator, for approval, a modification of the permit program of the State that includes a requirement under State law that—

"(I) the owner or operator of certain point sources (as determined by the State) subject to the requirement to obtain a permit under this section or a permit for the disposal of sewage sludge under section 405; and

"(II) an industrial user of a publicly owned treatment works subject to a Federal or State permit, or equivalent individual control mechanism, concerning the pretreatment of toxic or nonconventional pollutants for introduction into the treatment works,

pay an annual fee (or the equivalent, over another specified period of time).

"(ii) EXTENSION.—If a State has a legislature that is not scheduled to meet in a legislative session in which legislation to carry out this subparagraph may be enacted by the date specified in clause (i), the State shall carry out the requirements of clause (i) not later than the date of adjournment of the first regular legislative session of a State in which legislation to carry out this subsection may be considered.

"(B) ACCUMULATED AMOUNT OF FEES.—The total amount collected as fees for any year in a State shall be a sufficient amount to cover not less than 60 percent of the costs of developing and administering point source elements of the water quality program, and the costs of developing and administering sewage sludge disposal and pretreatment programs, of the State, including the costs of—

"(i) reviewing and acting upon applications for permits;

"(ii) implementing and enforcing the terms and conditions of permits or equivalent individual control mechanisms (excluding any court costs);

"(iii) effluent and ambient water quality monitoring;

"(iv) preparing generally applicable regulations or guidance, including water quality standards;

"(v) modeling, planning, analyses, and demonstrations;

"(vi) preparing and maintaining public information systems concerning effluent limitations, discharges, compliance, and water quality; and

"(vii) evaluating the performance of laboratories that analyze monitoring samples (including laboratory inspections, laboratory audits, and quality assurance).

"(2) USE OF FEES.—

"(A) IN GENERAL.—Each fee required to be collected by a State under this subsection shall be used only to support the water quality programs of the State.

"(B) RESTRICTION ON USE.—Except as provided in subparagraph (C), the fees collected pursuant to this subsection may not be used to provide State matching funds for Federal funds made available to the State pursuant to section 106.

"(C) USE FOR MATCHING FUNDS.—A State may use any amount collected by the State as fees pursuant to this subsection in excess of the minimum amount specified in paragraph (1)(B) to provide matching funds for Federal funds made available to the State pursuant to section 106.

"(3) FEDERAL FEE PROGRAM.—

"(A) FEDERAL PROGRAM OF FEE ASSESSMENT.—Not later than 3 years after the date of enactment of this subsection, the Administrator shall establish a Federal program for the collection of fees under this subsection.

"(B) CONDITIONS THAT REQUIRE IMPLEMENTATION OF FEDERAL PROGRAM.—If the Administrator, upon review of the permit modifications submitted by a State pursuant to paragraph (1), or upon conducting a subsequent review pursuant to subparagraph (C), determines that—

"(i) the fee provisions under the modified permit program submitted by a State to the Administrator for approval pursuant to paragraph (1) do not meet the requirements of this subsection;

"(ii) a State is not adequately administering or enforcing a fee system referred to in paragraph (1) that has been approved by the Administrator; or

"(iii) a State does not have the authority to administer a permit program pursuant to subsection (b),

the Administrator shall, not later than 3 years after the date of enactment of this subsection, or with respect to a finding described in clause (ii) not later than 180 days after making the finding, assess and collect fees from sources referred to in paragraph (1) pursuant to the program referred to in subparagraph (A).

"(C) REVIEW BY ADMINISTRATOR.—The Administrator may, at any time after approving the modifications of the permit program of a State under paragraph (1), review the fees assessed by the State pursuant to the modifications. The Administrator shall review the fees assessed by the State not later than 5 years after the date of approval of the modifications, and not less frequently than every 5 years thereafter.

"(D) SUBSEQUENT ESTABLISHMENT OF STATE PROGRAM.—At any time after the Administrator implements a program to assess fees pursuant to subparagraph (A), if the Administrator determines that a State program to assess fees meets the requirements of this subsection and the State has adequate authority to assess the fees, the Administrator may approve the State program and terminate the application of the Federal program to the State.

"(E) FEDERAL WATER POLLUTION CONTROL PERMIT FUND.—

"(i) ESTABLISHMENT.—There is established in the United States Treasury a Federal Water Pollution Control Permit Fund (referred to in this subparagraph as the 'Fund').

"(ii) SOURCE AND USE.—All fees collected by the Administrator (plus any amount of interest and penalty collected by the Administrator pursuant to section 309(g)) and any interest earned from the investment of the Fund shall be deposited in the Fund, and shall be available, without fiscal limitation, to carry out the activities for which the fees are collected (as described in paragraph (1)(B)).

"(iii) INVESTMENT OF FUND.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Fund as the Secretary determines is not required to meet the then current withdrawals of the Fund. The investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For the purpose referred to in the preceding sentence, the obligations may be acquired—

"(I) on original issue at the issue price; or

"(II) by purchase of outstanding obligations at the market price.

"(iv) PAYMENTS FROM FUND.—The Secretary of the Treasury is authorized and directed to pay out of any funds available in the Fund any expenses incurred by the Federal Government in carrying out the activities specified in clause (ii). None of the funds deposited into the Fund shall be available for any purpose other than making payments authorized under the preceding sentence.".

(b) PENALTIES.—Section 309(g) (33 U.S.C. 1319(g)) is amended by adding at the end the following new paragraph:

"(12) OTHER PENALTIES.—Any point source that fails to pay a fee lawfully imposed by the Administrator under section 402(s) shall be liable to the United States for payment of an amount equal to the sum of—

"(A) the amount of the fee;

"(B) a penalty in an amount equal to 50 percent of the amount of the fee; and

"(C) interest on the amount of the fee computed in accordance with section 6621(a)(2) of the Internal Revenue Code of 1986.".

SEC. 502. PERMIT PROGRAM MODIFICATIONS.

(a) PERMIT MANAGEMENT.—

(1) IN GENERAL.—Section 402(b) (33 U.S.C. 1342(b)) is amended by adding at the end the following new paragraphs:

"(10) To ensure that, beginning on the date that is 1 year after the date of enactment of this paragraph, in the case of a new discharge into navigable waters resulting from the construction of a new facility, the applicant applies for a permit under this section prior to the commencement of construction of the facility.

"(11) To ensure that each person issued a permit under this section who has received assistance under section 201(g)(1) or section 603(c)(1) is in compliance with the requirements of section 204(b).".

(2) SYSTEM OF CHARGES.—The first sentence of section 204(b)(1) (33 U.S.C. 1284(b)(1)) is amended by striking "the Administrator shall not approve any grant for any treatment works under section 201(g)(1) after March 1, 1973, unless he shall first have determined that the applicant (A) has adopted or will adopt" and inserting "the Administrator may not approve a grant for any recipient of assistance under section 201(g)(1) or 603(c)(1)(A) unless the applicant (A) has adopted or will adopt".

(b) PERMIT REVISION AND RENEWAL.—Section 402(b)(1)(C) (33 U.S.C. 1342(b)(1)(C)) is amended—

(1) in clause (iii), by adding "and" at the end; and

(2) by adding at the end the following new clause:

"(iv) the promulgation, after the date of issuance of the permit, of any new or revised effluent guideline or standard pursuant to section 303, or any applicable regulation;".

(c) FEDERAL PROGRAM OVERSIGHT.—Section 402(d) (33 U.S.C. 1342(d)) is amended—

(1) in paragraph (4)—

(A) by striking "on request of the State," and all that follows through "If" and inserting "and if";

(B) by striking "within 30 days" and all that follows through "of such objection" and inserting "within 180 days after such objection"; and

(C) by adding at the end the following new sentence: "In any case in which the Administrator exercises waiver authority, the Administrator shall make reasonable efforts to periodically review the waiver."; and

(2) by adding at the end the following new paragraphs:

"(5) In any case in which the appropriate official of a State permit program approved by the Administrator pursuant to subsection (b) fails, during the 180-day period beginning on the date of expiration of a permit for a discharge, to propose to reissue a permit for the discharge, the Administrator may issue a permit for the discharge.

"(6) The Administrator may, by regulation require that each permit issued be reviewed and revised to include an effluent limitation based on a new or revised effluent guideline or standard, or any other applicable regulation.".

(d) JUDICIAL REVIEW.—

(1) IN GENERAL.—Section 402(b)(3) (33 U.S.C. 1342(b)(3)) is amended by striking the semicolon at the end and inserting "and an opportunity for judicial review of a final permit action under this section in a State court by the applicant, any person who participated in the public comment process, and any other person who could obtain judicial review of the action under any applicable law;".

(2) SANCTION.—Section 402(d), as amended by subsection (c)(2), is further amended by adding at the end the following new paragraph:

"(7) If a State with a program approved under subsection (b) fails to modify a State program pursuant to the requirements of subsection (b)(3) by the date that is 3 years after the date of enactment of this paragraph, the Administrator shall withhold an amount equal to 10 percent of the amount that would otherwise be allotted to the State under section 106 for the fiscal year that begins after the decision of the Administrator to withhold the amount.".

(e) BIOLOGICAL ASSESSMENT.—

(1) IN GENERAL.—Subsection (e) of section 402 (33 U.S.C. 1342(e)) is amended to read as follows:

"(e)(1)(A) The Administrator may, in cooperation with the Governor of a State and in cooperation with the heads of the United States Fish and Wildlife Service of the Department of the Interior and the National Marine Fisheries Service of the Department of Commerce, identify sensitive aquatic systems in the State that support valuable biological resources, including threatened or endangered species.

"(B) The Administrator shall publish a description of the areas identified pursuant to subparagraph (A) in the Federal Register.

"(2) Beginning on the date that is 1 year after the date of enactment of this paragraph, before a final permit under this section may be issued for a discharge to waters identified pursuant to paragraph (1), the head of—

"(A) the United States Fish and Wildlife Service of the Department of the Interior; or

"(B) the National Marine Fisheries Service of the Department of Commerce,

whichever is appropriate, shall be required to review and comment on a draft permit prepared pursuant to this subsection not later than 30 days after receipt of the draft permit. The Administrator shall promulgate such regulations as are necessary to carry out this paragraph.".

(2) BIOLOGICAL DISCHARGE CRITERIA.—Section 403 (33 U.S.C. 1343) is amended—

(A) by striking the section heading and inserting the following new heading:

"BIOLOGICAL DISCHARGE CRITERIA";

(B) by striking subsection (a) and inserting the following new subsection:

"(a) No permit shall be issued under section 402 for a discharge into the territorial sea, the waters of the contiguous zone, the oceans, or any waters identified pursuant to section 402(e)(1)(A) if, on the basis of an assessment of the criteria referred to in subsection (c), the discharge can reasonably be expected to prevent the protection and propagation of a balanced population of shellfish, fish, and wildlife."; and

(C) in subsection (c)(1)—

(i) in the matter preceding subparagraph (A)—

(I) by striking "Act (and from time to time promulgate)" and inserting the following: "the Water Pollution Prevention and Control Act of 1993, and biennially thereafter, publish"; and

(II) by striking "and the oceans," and inserting the following: "the oceans, or any

waters identified pursuant to section 402(e)(1)(A).";

(ii) in subparagraph (B), by striking "marine" and inserting "aquatic"; and

(iii) in subparagraph (G), by inserting "or other waters" after "oceans".

(f) PERMIT APPLICATION REQUIREMENTS.—Section 402(a) (33 U.S.C. 1342(a)) is amended by adding at the end the following new paragraph:

"(6) Not later than 2 years after the date of enactment of this paragraph, the Administrator shall promulgate regulations to update the application for a permit under this section for municipal and industrial dischargers to require the applicant to more fully characterize the nature of the discharge of effluent and the contributions of the effluent to receiving waters.".

(g) WATERBODY AND EFFLUENT ASSESSMENT.—

(1) BIOLOGICAL MONITORING METHODS.—Section 304(a)(8) (33 U.S.C. 1314(a)(8)) is amended by adding at the end the following new sentence: "Not later than 3 years after the date of enactment of the Water Pollution Prevention and Control Act of 1993, the Administrator shall publish regulations that establish biological monitoring methods, practices, and protocols, including measurements suitable for establishing the biological condition of waterbodies.".

(2) WHOLE EFFLUENT TOXICITY.—Section 402(a)(2) (33 U.S.C. 1342(a)(2)) is amended—

(A) by inserting "(A)" before "The Administrator"; and

(B) by adding at the end the following new subparagraph:

"(B) Not later than 2 years after the date of enactment of this subparagraph, the Administrator shall publish regulations that provide for—

"(i) the establishment of a quantitative basis for determining acute and chronic whole effluent toxicity; and

"(ii) the inclusion of numerical effluent limitations for whole effluent toxicity in a permit for any discharge that the Administrator determines is likely to exhibit toxicity.".

(h) INNOVATIVE PRODUCTION PROCESSES AND TECHNOLOGY.—Subsection (k) of section 301 (33 U.S.C. 1311(k)) is amended to read as follows:

"(k) INNOVATIVE PRODUCTION PROCESSES AND TECHNOLOGY.—

"(1) IN GENERAL.—The Administrator (or the State, in the case of a State with the authority to issue permits under section 402) may, with the consent of the State in which a source is located and after notice and opportunity for comment, temporarily waive any permit limitation applicable to a point source that is in a permit issued under section 402 and that has been established pursuant to subparagraph (A) or (E) of subsection (b)(2) for the purpose of encouraging the development and testing of an innovative production process or pollution control technology that will—

"(A) result in an effluent reduction significantly greater than that required by the limitation otherwise applicable;

"(B) promote the national goal of eliminating the discharge of all pollutants; or

"(C) result in significantly lower costs than processes and technologies that the Administrator has determined to be the best economically achievable for the source.

"(2) WAIVER.—A waiver referred to in paragraph (1) shall include alternative limitations applicable during the temporary waiver period that—

"(A) ensure that water quality standards applicable to the waters receiving any discharge from the source are not exceeded; and

"(B) provide for the protection of human health and the environment.

"(3) REQUIREMENTS FOR WAIVER.—The Administrator may only grant a waiver under this subsection if the Administrator finds that—

"(A) the innovative process or technology that is the subject of the waiver has not been adequately demonstrated;

"(B) the innovative process or technology has not previously failed to operate effectively or to meet any limitation otherwise applicable; and

"(C) the owner of the source will conduct such tests and monitoring during the period of the waiver as are necessary to ensure that the alternative limitations established pursuant to paragraph (2) are not exceeded.

"(4) PERIOD OF WAIVER.—

"(A) IN GENERAL.—The period of the waiver shall not exceed the period necessary to determine whether the innovative process or technology would, in commercial operation, meet the limitations referred to in paragraph (1) that would otherwise apply to the source that is the subject of the waiver. The period may not exceed 90 days, unless the Administrator extends the period for an additional 90-day period.

"(B) TERMINATION.—The Administrator or the State in which the source is located may at any time terminate the waiver granted under this subsection, if the Administrator or the State determines that the innovative process or technology—

"(i) has failed to achieve an effluent reduction at least equivalent to the reduction required by a limitation referred to in paragraph (1) that would otherwise apply; or

"(ii) has exceeded any limitation in the waiver established pursuant to paragraph (2).

"(5) NUMBER OF WAIVERS.—The number of waivers granted under this subsection for a specific production process or pollution control technology may not exceed the number necessary to demonstrate the effectiveness of the process or technology in meeting the objectives specified in paragraph (1). No waiver granted under this section shall apply to any limitation in a permit that is not directly related to the operation and testing of the innovative process or technology.".

SEC. 503. ENFORCEMENT.

(a) CITIZEN ENFORCEMENT.—Section 505 (33 U.S.C. 1365) is amended—

(1) in subsection (a)(1), by inserting "to have violated (if there is evidence that the alleged violation has been repeated) or" before "to be in violation";

(2) in subsection (b)(1)(A), by inserting "or has occurred," after "occurs,";

(3) in subsection (f)(6), by inserting ", or has been in effect," after "in effect"; and

(4) in subsection (g), by striking "is" and inserting "has been, is,".

(b) PENALTIES AND COMPENSATION.—

(1) BENEFICIAL USE.—

(A) CIVIL PENALTIES.—Section 309(d) (33 U.S.C. 1319(d)) is amended—

(i) by striking "(d) Any person" and inserting the following:

"(d) CIVIL PENALTIES.—

"(1) IN GENERAL.—Any person"; and

(ii) by adding at the end the following new paragraph:

"(2) BENEFICIAL USE.—Notwithstanding any other provision of law (including subchapter III of chapter 7 of title 31, United States Code, and chapter 128 of title 28, United States Code), each district court may order that all or a portion of a civil penalty referred to in paragraph (1) be used for a beneficial project to enhance public health or the environment by restoring or otherwise improving, in a manner consistent with this Act, the water quality, wildlife, or habitat of the waterbody in which the violation occurred.".

(B) CITIZENS SUITS.—Section 505(a) (33 U.S.C. 1365(a)) is amended by adding at the end the following new sentences: "Notwithstanding any other provision of law (including subchapter III of chapter 7 of title 31, United States Code, and chapter 123 of title 28, United States Code), each district court may order that, in any action under this subsection to apply a civil penalty, all or a portion of the civil penalty be used for a beneficial project to enhance public health or the environment by restoring or otherwise improving, in a manner consistent with this Act, the water quality, wildlife, or habitat of the waterbody in which the violation occurred.".

(C) CRIMINAL FINES.—Section 309(c) (33 U.S.C. 1319(c)) is amended by adding at the end the following new paragraph:

"(8) BENEFICIAL USE.—Notwithstanding any other provision of law (including subchapter III of chapter 7 of title 31, United States Code, and chapter 123 of title 28, United States Code) each court that imposes a fine pursuant to this subsection may order that all or a portion of the fine be used for a beneficial project to enhance public health or the environment by restoring or otherwise improving, in a manner consistent with this Act, the water quality, wildlife, or the habitat of the waterbody in which the violation occurred.".

(2) RESTORATION OF DAMAGED NATURAL RESOURCES.—

(A) IN GENERAL.—Section 309(b) (33 U.S.C. 1319(b)) is amended—

(i) in the second sentence, by inserting, ", to order the defendant to take such other action as may be necessary, including the restoration of natural resources damaged or destroyed as a result of the violation," after "such violation"; and

(ii) by inserting after the second sentence the following new sentence: "The maximum cost of any restoration under the preceding sentence that a responsible person may be obligated to pay to carry out the order may not exceed the maximum amount of a civil penalty that may be assessed against the responsible person in a civil action commenced pursuant to this subsection.".

(B) CITIZENS SUITS.—Section 505(a) (33 U.S.C. 1365(a)), as amended by paragraph (1)(B), is further amended—

(i) in the second sentence, by inserting "or to order any responsible person to take such other action as may be necessary, including the restoration of natural resources damaged or destroyed as a result of the violation," after "as the case may be,"; and

(ii) by inserting after the second sentence the following new sentence: "The maximum cost of any restoration under the preceding sentence that a responsible person may be obligated to pay to carry out the order may not exceed the maximum amount of a civil penalty that may be assessed against the responsible person in a civil action commenced pursuant to this subsection.".

(3) PRETREATMENT REQUIREMENTS.—

(A) IN GENERAL.—Section 505(f)(4) (33 U.S.C. 1365(f)(4)) is amended by inserting ", pretreatment requirement," after "effluent standard".

(B) STATE ENFORCEMENT.—Section 309(a)(1) (33 U.S.C. 1319(a)(1)) is amended by inserting "any requirement imposed under a

pretreatment program approved under subsection (a)(3) or (b)(8) of section 402, or any local limit imposed under section 402(b)(9)," after "under section 402 or 404 of this Act,".

(C) ENFORCEMENT BY THE ADMINISTRATOR.—Section 309(a)(3) (33 U.S.C. 1319(a)(3)) is amended by inserting "or any requirement imposed under a pretreatment program approved under subsection (a)(3) or (b)(8) of section 402 or any local limit imposed under section 402(b)(9)," after "section 404 of this Act by a State,".

(D) ADMINISTRATIVE PENALTIES.—Section 309(g)(1)(A) (33 U.S.C. 1319(g)(1)(A)) is amended by inserting "or any requirement imposed under a pretreatment program approved under subsection (a)(3) or (b)(8) of section 402 or any local limit imposed under section 402(b)(9)," after "section 404 by a State,".

(E) NOTICE TO PUBLICLY OWNED TREATMENT WORKS OF NOTIFICATION.—The first sentence of section 309(a)(4) (33 U.S.C. 1319(a)(4)) is amended by striking "and other affected States" and inserting ", other affected States, and any publicly owned treatment works receiving wastewater from the violation".

(4) FIELD CITATION PROGRAM.—Section 309(g), as amended by section 501(b), (33 U.S.C. 1319(g)) is further amended—

(A) by redesignating paragraphs (7) through (12) as paragraphs (8) through (13), respectively; and

(B) by inserting after paragraph (6) the following new paragraph:

"(7) FIELD CITATION PROGRAM.—

"(A) AUTHORITY TO IMPLEMENT PROGRAM.—The Administrator may establish, by regulation, a field citation program under which field citations for minor violations may be issued by officers or employees designated by the Administrator. The field citations issued pursuant to this authority shall not be subject to the public notice requirements of paragraph (4), or any other requirement for advance public notification.

"(B) AMOUNT OF PENALTY.—A civil penalty assessed under this paragraph may not exceed $5,000 per day for each violation, and a total of $25,000 for the violation.

"(C) ELECTION.—Any person to whom a field citation is assessed may, within a reasonable time as prescribed by the Administrator through regulation, elect to pay the penalty assessment or to request a hearing on the field citation. If a request for a hearing is not made within the time specified in the regulation, the penalty assessment in the field citation shall be final.

"(D) HEARING.—A hearing under this paragraph may not be subject to section 554 or 556 of title 5, but shall provide a reasonable opportunity to be heard and to present evidence.

"(E) EFFECT ON FUTURE ENFORCEMENT.—Payment of a civil penalty required by a field citation may not be a defense to further enforcement by the United States or a State.".

(5) OFFSETTING PENALTIES.—

(A) CIVIL PENALTIES.—The second sentence of paragraph (1) of section 309(d) (33 U.S.C. 1319(d)), as designated by paragraph (1)(A)(i), is amended by inserting "any penalty previously imposed by a court or administrative agency for the same violation," after "the violator,".

(B) EXEMPTION FROM CERTAIN LIMITATIONS.—Section 309(g)(6)(B) (33 U.S.C. 1319(g)(6)(B)) is amended—

(i) in clause (i), by inserting "or an action under a State law comparable to this subsection" after "an action under this subsection"; and

(ii) in clause (ii), by inserting "or an action under a State law comparable to this subsection," after "an action under this subsection".

(6) ECONOMIC BENEFIT.—Section 309(g) (33 U.S.C. 1319(g)), as amended by section 501(b) and paragraph (4)(A), is further amended—

(A) by redesignating paragraph (13) as paragraph (14); and

(B) by inserting after paragraph (12) the following new paragraph:

"(13) STATE CONSIDERATION OF ECONOMIC BENEFIT.—

"(A) ESTABLISHMENT AND APPLICATION OF POLICY.—Each State that has in effect a State law that has any comparable civil enforcement authority (whether administrative or judicial) to those authorities under this section shall develop and apply an economic benefit policy to be used in determining the amount of any penalty assessed against a violator. The policy shall ensure consideration of the amount of economic benefit resulting from the violation that is the subject of the penalty.

"(B) AUTHORITY OF ADMINISTRATOR.—In addition to other circumstances giving rise to enforcement proceedings under this Act, the Administrator may commence enforcement proceedings under this section against a violator that is the subject of an action under State law that has comparable requirements to this subsection if the State does not establish and apply an economic benefit policy to be used in determining the amount of any penalty assessed against a violator under the comparable provision of State law.".

(7) STATE ADMINISTRATIVE ENFORCEMENT.—

(A) IN GENERAL.—Section 402 (33 U.S.C. 1342), as amended by section 501(a), is further amended by adding at the end the following new subsection:

"(t) WITHHOLDING WATER POLLUTION CONTROL ASSISTANCE.—

"(1) IN GENERAL.—Beginning on the date that is 3 years after the date of enactment of this subsection, the Administrator is authorized to withhold from a State with an approved program under subsection (b), an amount not to exceed 25 percent of the amount of funds allocated for any fiscal year to the State under section 106, if the Administrator determines that the State does not have adequate authority to abate violations of—

"(A) permits issued under section 402; and

"(B) pretreatment requirements applicable to industrial users of publicly owned treatment works.

"(2) ADEQUATE AUTHORITY.—For purposes of paragraph (1), in order to demonstrate adequate authority, a State shall, at a minimum, demonstrate the authority to recover an administrative civil penalty in a maximum amount of not less than $10,000 per day for each violation referred to in paragraph (1).

"(3) AMOUNTS WITHHELD.—The Administrator shall make available any amounts withheld under paragraph (1) to States with an approved program under subsection (b).".

(B) ABATEMENT.—Section 402(b) (33 U.S.C. 1342(b)) is amended by striking paragraph (7) and inserting the following new paragraph:

"(7) To abate violations of the permit or the permit program by—

"(A) the imposition of administrative penalties (in a manner comparable to section 309(g));

"(B) the imposition of criminal penalties; or

"(C) other means of enforcement that the State is able to demonstrate to be as effective as the means described in this paragraph.".

(8) FEDERAL PROCUREMENT.—Subsection (a) of section 508 (33 U.S.C. 1368(a)) is amended to read as follows:

"(a)(1)(A) No Federal agency may enter into any contract, grant, or loan that is to be performed, in whole or in part, using any facility owned, leased, operated, or supervised, at the time of the violation, by any person who has been convicted of an offense under section 309(c), 407, or 411 or under section 10 of the Act entitled 'An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes', approved March 3, 1899 (33 U.S.C. 403) (commonly known as the 'River and Harbor Act of 1899').

"(B) With respect to a person described in subparagraph (A), a prohibition under such subparagraph shall—

"(i) continue for a period of not less than 1 year following the date of conviction as determined by the Administrator;

"(ii) affect each facility owned or operated by the person that the Administrator determines has given rise to the conviction; and

"(iii) continue until the Administrator, in the sole discretion of the Administrator, certifies that the conditions giving rise to the conviction have been corrected.

"(C) Each applicant who seeks to participate in a Federal contract, grant, or loan shall disclose any conviction described in subparagraph (A) to each appropriate Federal agency.

"(2)(A) No Federal agency may enter into any contract for the procurement of a good, material, or service with any person who has been found liable for civil penalties, or who has entered into any consent order or decree under section 309(d) admitting to violations that may be subject to the assessment of a civil penalty under section 309(d), as a result of 3 or more separate enforcement actions instituted under section 309(d) within a period of less than 5 consecutive years, if the Administrator determines that the contract is to be performed at a facility—

"(i) at which the violations that resulted in the determination of liability or admission of liability in any enforcement action under section 309(d) occurred; and

"(ii) that is owned, leased, or supervised by the person who was found to be responsible or admitted liability for any violation that was the subject of an enforcement action under section 309(d).

"(B) With respect to a person described in subparagraph (A), a prohibition under such subparagraph shall—

"(i) continue for a period of not less than 1 year from the date determined by the Administrator to be the final and effective date of the third enforcement action occurring within the 5-year period referred to in subparagraph (A);

"(ii) affect each facility that the Administrator determines has given rise to the enforcement actions under section 309(d); and

"(iii) continue until the Administrator, in the sole discretion of the Administrator, certifies that the conditions giving rise to the violations for which liability under section 309(d) has been imposed or admitted in the enforcement actions under subparagraph (A) have been corrected.".

(9) ADMINISTRATIVE PENALTIES.—Section 309(g)(2)(B) (33 U.S.C. 1319(g)(2)(B)) is amended by striking "$125,000" and inserting "$200,000".

(c) FEDERAL FACILITIES.—

(1) IN GENERAL.—Section 313(a) (33 U.S.C. 1323(a)) is amended—

(A) in the first sentence—

(i) by striking "(1)" and inserting "(A)"; and

(ii) by striking "(2)" and inserting "(B)";

(B) by designating the first and second sentences as paragraphs (1) and (2), respectively;

(C) by striking the third sentence;

(D) by designating the fourth sentence as paragraph (7);

(E) by striking the fifth sentence;

(F) by designating the sixth through eleventh sentences as paragraph (8);

(G) by inserting after paragraph (2) (as designated by subparagraph (B)) the following new paragraphs:

"(3) The Federal, State, interstate, and local substantive and procedural requirements, administrative authority, and process and sanctions referred to in this section shall include—

"(A) any administrative order; and

"(B) any civil or administrative penalty or fine (without regard to whether the penalty or fine is punitive or coercive in nature or is imposed for one or more isolated, intermittent, or continuing violations).

"(4) The United States hereby expressly waives any immunity otherwise applicable to the United States with respect to the substantive and procedural requirements, administrative authority, and process and sanctions referred to in paragraph (2) (including any injunctive relief, administrative order, civil or administrative penalty referred to in paragraph (3)(B), or reasonable service charge).

"(5) A reasonable service charge referred to in paragraph (4) includes any fee or charge assessed in connection with—

"(A) the processing and issuance of a permit;

"(B) the renewal of a permit;

"(C) an amendment to a permit;

"(D) the review of a plan, study, or other document;

"(E) the inspection and monitoring of a facility; and

"(F) any other nondiscriminatory charge, that is assessed in connection with a Federal, State, interstate, or local water pollution program.

"(6)(A) No agent, employee, or officer of the United States shall be personally liable for any civil penalty under any Federal, State, interstate, or local water pollution law with respect to any act or omission within the official duties of the agent, employee, or officer.

"(B) An agent, employee, or officer of the United States shall be subject to a criminal sanction (including a fine or imprisonment) under a Federal or State water pollution law, except that no department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to a criminal sanction referred to in this subparagraph."; and

(H) in paragraph (7) (as designated by subparagraph (D)), by striking "28 U.S.C. 1441 et seq." and inserting "chapter 89 of title 28, United States Code".

(2) DEFINITION OF PERSON.—Section 502(5) (33 U.S.C. 1362(5)) is amended by striking "or any interstate body" and inserting "any interstate body, or any department, agency, or instrumentality of the United States".

(3) CIVIL PENALTY.—Section 311(a)(7) (33 U.S.C. 1321(a)(7)) is amended by striking "and a partnership" and inserting "partnership, or any department, agency or instrumentality of the United States".

(4) COMPLIANCE ORDERS.—Section 309 (33 U.S.C. 1319) is amended by adding at the end the following new subsection:

"(h) COMPLIANCE ORDERS FOR FEDERAL FACILITY ENFORCEMENT.—

"(1) IN GENERAL.—

"(A) AUTHORIZATION.—If on the basis of any information available—

"(i) to the Administrator, the Administrator determines that any department, agency, or instrumentality of the United States has violated or is in violation of section 301, 302, 306, 307, 308, 311, 318, or 405, or has violated or is in violation of any permit condition or limitation implementing any of such sections in a permit issued under section 402 by the Administrator or by a State, or in a permit issued under section 404 by a State, or any requirement imposed under a pretreatment program approved under subsection (a)(3) or (b)(8) of section 402;

"(ii) to the Secretary of the Army, the Secretary of the Army determines that any department, agency, or instrumentality of the United States has violated or is in violation of any condition or limitation in a permit issued under section 404; or

"(iii) to the Secretary of the Department in which the Coast Guard is operating, the Secretary determines that any department, agency, or instrumentality of the United States has violated section 311 or any regulation implementing such section,

the Administrator or Secretary, as applicable, may issue an order to assess a civil or administrative penalty for any past or current violation, requiring compliance immediately or within a specified time period, or both.

"(B) CONTENTS OF ORDER.—

"(i) IN GENERAL.—Any order issued pursuant to this subsection—

"(I) by the Administrator, may include a suspension or revocation of any permit issued by the Administrator or a State under section 402 or 404;

"(II) by the Secretary of the Army, may include a suspension or revocation of any permit issued by the Secretary of the Army or a State under section 404; and

"(III) shall state with reasonable specificity the nature of the violation.

"(ii) MAXIMUM PENALTY AMOUNT.—Any penalty assessed in an order issued pursuant to this subsection may not exceed $25,000 per day for each violation.

"(2) PUBLIC HEARING.—

"(A) IN GENERAL.—Any order issued pursuant to this subsection shall become final unless, not later than 30 days after the order is served, the Federal department, agency, or instrumentality of the United States named in the order requests a public hearing. If the request is made, the Administrator or Secretary, as applicable, shall promptly conduct a public hearing.

"(B) SUBPOENAS AND DISCOVERY.—In connection with any proceeding under this subsection, the Administrator or the Secretary may—

"(i) issue a subpoena for the attendance and testimony of a witness or the production of a relevant paper, book, or document; and

"(ii) promulgate rules for discovery procedures.

"(3) VIOLATION OF ORDERS.—If a violator fails to take corrective action within the period specified in an order issued under this subsection—

"(A) the Administrator or Secretary, as applicable, may assess a civil penalty of not more than $25,000 for each day of continued noncompliance with the order; and

"(B)(i) the Administrator may suspend or revoke the permit issued pursuant to section 402 or 404 that is the subject of the order, without regard to whether the permit is issued by the Administrator or a State; and

"(ii) the Secretary of the Army may suspend or revoke the permit issued pursuant to section 404, without regard to whether the permit is issued by the Secretary of the Army or a State.

"(4) DETERMINING AMOUNT OF PENALTY.—In determining the amount of any penalty assessed under this subsection, the Administrator or Secretary, as applicable, shall consider—

"(A) the seriousness of each violation;

"(B) the economic benefit or savings (if any) to the violator resulting from each violation;

"(C) any history of the violations;

"(D) any good-faith efforts to avoid noncompliance or to comply with applicable requirements;

"(E) failure, prior to the violation, to establish and implement a program or other organized effort to achieve and maintain compliance with environmental laws (including regulations); and

"(F) such other matters in mitigation and aggravation as justice may require.".

(d) EMERGENCY POWERS.—Section 504 (33 U.S.C. 1364) is amended—

(1) in subsection (a)—

(A) by inserting after "(a)" the following new subsection heading: "IN GENERAL.—";

(B) by striking "is presenting" and inserting "may present";

(C) by inserting ", whether actual or threatened," after "substantial endangerment"; and

(D) by striking "may bring suit" and inserting the following: "or to the environment, the Administrator may—

"(1) issue such orders, or take such action, as may be necessary to protect public health or welfare or the environment; and

"(2) bring suit on behalf of the United States in a district court of the United States of appropriate jurisdiction against any person who causes or contributes to the alleged pollution or threat of pollution to—

"(A) immediately restrain the person from discharging or threatening to discharge each pollutant causing or contributing to the pollution;

"(B) order the person to take such other action as may be necessary; or

"(C) take action under both subparagraphs (A) and (B).."; and

(2) by adding at the end the following new subsection:

"(b) ADDITIONAL ACTION.—The Administrator may take additional action under this section, including issuing such orders as may be necessary to protect public health or welfare or the environment.".

(e) ADMINISTRATIVE AMENDMENTS.—

(1) REQUIREMENT FOR CONSULTATION ON ADMINISTRATIVE ORDERS.—Section 309(g) (33 U.S.C. 1319(g)), as amended by section 501(b) and subsections (b)(4)(A) and (b)(6)(A), is further amended—

(A) by redesignating paragraph (14) as paragraph (15); and

(B) by inserting after paragraph (13) the following new paragraph:

"(14) CONSULTATION.—The failure of the Administrator to consult with a State concerning a violation of an order pursuant to paragraph (1) may not constitute a defense in any action to assess a civil penalty under this subsection and may not invalidate the assessment of any penalty under this subsection.".

(2) EFFECT OF STATE ENFORCEMENT ACTIONS.—Section 309(g)(6)(A) (33 U.S.C. 1319(g)(6)(A)) is amended—

(A) in clause (i), by adding "or" at the end;

(B) by striking clause (ii);

(C) by redesignating clause (iii) as clause (ii); and

(D) in clause (ii) (as so redesignated)—

(i) by striking ", the Secretary, or the State" and inserting "or the Secretary"; and

(ii) by striking "or such comparable State law, as the case may be,".

(3) SINGLE OPERATIONAL UPSETS.—

(A) CRIMINAL PENALTIES.—Section 309(c) (33 U.S.C. 1319(c)), as amended by subsection (b)(1)(C), is further amended—

(i) by striking paragraph (5); and

(ii) by redesignating paragraphs (6), (7), and (8) as paragraphs (5), (6), and (7), respectively.

(B) CIVIL PENALTIES.—Paragraph (1) of section 309(d) (33 U.S.C. 1319(d)), as designated by subsection (b)(1)(A)(i), is amended by striking "For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.".

(C) ADMINISTRATIVE PENALTIES.—Section 309(g)(3) (33 U.S.C. 1319(g)(3)) is amended by striking "For purposes of this subsection, a single operational upset which leads to simultaneous violations of more than one pollutant parameter shall be treated as a single violation.".

(4) OBTAINING INFORMATION.—

(A) IN GENERAL.—Subsection (a) of section 308 (33 U.S.C. 1318(a)) is amended to read as follows:

"(a) IN GENERAL.—

"(1) DUTIES OF THE ADMINISTRATOR.—Whenever the Administrator is required to carry out the objective of this Act (as described in section 101(a)), including—

"(A) developing or assisting in the development of an effluent limitation, or other limitation, prohibition, or effluent standard, pretreatment standard, or standard of performance under this Act;

"(B) determining whether any person is in violation of an effluent limitation, or other limitation, prohibition, effluent standard, pretreatment standard, or standard of performance, or is causing or contributing to the exceedance of a water quality standard, under this Act;

"(C) a requirement established under this section; or

"(D) carrying out sections 305, 311, 402, 404 (relating to State permit programs), 405, and 504,

the Administrator may require a person subject to a requirement of this Act to meet the requirements of paragraph (2) relating to the provision of information to the Administrator if the Administrator determines that the information is relevant to the implementation of this Act.

"(2) REQUIREMENTS.—In each case described in paragraph (1), the Administrator may require a person subject to a requirement of this Act to—

"(A) establish and maintain such records;

"(B) make such reports;

"(C) install, use, and maintain such monitoring equipment or methods (including, if appropriate, biological monitoring methods);

"(D) sample such effluents and affected receiving waters (in accordance with such methods, at such locations, at such intervals, and in such manner as the Administrator shall prescribe;

"(E) provide data necessary to support the development of water quality criteria for a pollutant present in the discharge of the owner or operator; and

"(F) provide such other information,

as the Administrator may reasonably require.

"(3) INSPECTION.—The Administrator or an authorized representative of the Administrator (including an authorized contractor acting as a representative of the Administrator) on presentation of the credentials of the Administrator or representative—

"(A) shall have a right of entry to, upon, or through any premises in which an effluent source is located or in which any records required to be maintained under paragraph (2) are located; and

"(B) may at reasonable times have access to and copy any records, inspect any monitoring equipment or method required under paragraph (2), and sample any effluents that the owner or operator of the source is required to sample under such paragraph.".

(B) TECHNICAL AMENDMENTS.—Section 308 (33 U.S.C. 1318) is amended—

(i) in subsection (b), by inserting "RECORDS; REPORTS; INFORMATION.—" after "(b)"; and

(ii) in subsection (c), by inserting "PROCEDURES.—" after "(c)".

(5) SUBPOENAS.—The first sentence of section 509(a)(1) (33 U.S.C. 1369(a)(1)) is amended by inserting "or any enforcement activity under this Act" after "section 507(e) of this Act".

(f) TECHNICAL AMENDMENT.—Section 309(g)(2) (33 U.S.C. 1319(g)(2)) is amended—

(1) in subparagraph (A), by inserting "day for each" after "exceed $10,000 per"; and

(2) in the first sentence of subparagraph (B), by striking "for each day during which the violation continues" and inserting "for each violation".

TITLE VI—PROGRAM MANAGEMENT

SEC. 601. TECHNOLOGY DEVELOPMENT.

Section 105 (33 U.S.C. 1255) is amended to read as follows:

"SEC. 105. TECHNOLOGY DEVELOPMENT.

"(a) IN GENERAL.—The Administrator shall establish a program to develop and demonstrate practices, methods, technologies, or processes that may be effective in the prevention and control of sources or potential sources of water pollution.

"(b) GRANT ASSISTANCE.—

"(1) IN GENERAL.—The Administrator may provide grants to public agencies and authorities and nonprofit organizations and institutions, and enter into cooperative agreements or contracts with other persons, to develop or demonstrate water pollution prevention and control practices, methods, technologies, or processes.

"(2) REQUIREMENTS FOR DEMONSTRATION PROJECTS.—The Administrator may provide assistance for a demonstration project under this subsection only if—

"(A) the demonstration project will serve to demonstrate a new or significantly improved practice, method, technology, or process, or the feasibility and cost effectiveness of a practice, method, technology, or process that exists at the time of the demonstration, but is unproven;

"(B) the demonstration project will not duplicate any other Federal, State, local, or commercial effort to demonstrate the practice, method, technology, or process;

"(C) the demonstration project meets the requirements of this section and serves the purposes of this Act;

"(D) the demonstration of the practice, technology, or process will comply with all other laws (including regulations) for the protection of human health and welfare and the environment; and

"(E)(i) in the case of a contract or cooperative agreement, the practice, method, technology, or process would not be adequately demonstrated by State, local, or private persons; or

"(ii) in the case of an application for financial assistance by a grant, the practice, method, technology, or process is not likely to receive adequate financial assistance from other sources.

"(3) REQUIREMENTS FOR DEMONSTRATION PROGRAM.—The demonstration program established under this subsection shall include—

"(A) solicitations for demonstration projects by the Administrator;

"(B) the selection of suitable demonstration projects from among proposed demonstration projects;

"(C) the supervision of the demonstration projects;

"(D) the evaluation of the results of the demonstration projects; and

"(E) the dissemination of information concerning the effectiveness and feasibility of the practices, methods, technologies, and processes that are proven to be effective under the demonstration projects.

"(4) SOLICITATIONS.—

"(A) IN GENERAL.—Not later than 1 year after the date of enactment of this paragraph, and not less frequently than annually thereafter, the Administrator shall publish a solicitation notice for proposals to demonstrate, by prototype or at full-scale, practices, methods, technologies, and processes that are (or may be) effective in controlling sources or potential sources of water pollution.

"(B) CONTENTS OF SOLICITATION NOTICE.—The solicitation notice shall prescribe the information to be included in the proposal, including technical and economic information derived from the research and development efforts of the applicant, and other information sufficient to allow the Administrator to assess the potential effectiveness and feasibility of the practice, method, technology, or process that is the subject of the demonstration project.

"(5) APPLICATION.—Any person may submit an application to the Administrator in response to a solicitation under paragraph (4). The application shall contain a proposed demonstration plan setting forth how and when the project is to be carried out and such other information as the Administrator may require.

"(6) SELECTION OF DEMONSTRATION PROJECTS.—In selecting practices, methods, technologies, and processes to be demonstrated, the Administrator shall evaluate each project according to the following criteria:

"(A) The potential for the proposed practice, method, technology, or process to effectively control sources or potential sources of pollutants that present risks to human health.

"(B) The potential for the practice, method, technology, or process to contribute to the advancement of pollution control with respect to an industry for which an effluent guideline is published pursuant to section 304.

"(C) The potential for the practice, method, technology, or process to effectively prevent the discharge of pollutants that present risks to human health and the environment.

"(D) The potential for the practice, method, technology, or process to contribute to the advancement of the treatment of sewage or the management of sewage sludge.

"(E) The potential for the practice, method, technology, or process to contribute to reductions of pollution associated with nonpoint sources of pollution.

"(F) The capability of the applicant to successfully complete the demonstration project as described in the application.

"(G) The likelihood that the demonstrated practice, method, technology, or process could be applied in other locations and under other circumstances to control sources or potential sources of pollutants (taking into consideration the cost, effectiveness, and technological feasibility of the practice).

"(H) The extent of financial support from the applicant to accomplish the demonstration as described in the application.

"(I) The capability of the applicant to disseminate the results of the demonstration or otherwise make the benefits of the practice, method, technology, or process widely available to the public in a timely manner.

"(7) APPROVAL OF APPLICATIONS.—The Administrator shall approve or disapprove an application for a project under this subsection in an expeditious manner. In the case of a disapproval of an application for a project, the Administrator shall notify the applicant of the reasons for the disapproval.

"(8) AGREEMENT.—Each applicant selected to conduct a demonstration project under this subsection shall be required, as a condition of receiving funds made available pursuant to this subsection, to enter into an agreement with the Administrator to provide for monitoring, testing procedures, quality control, and such other measurements necessary to evaluate the results of demonstration projects or facilities intended to control sources or potential sources of contaminants.

"(9) FEDERAL SHARE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share for a demonstration project under this section shall not exceed 75 percent of the total cost of the project.

"(B) CERTAIN BASIC RESEARCH.—In any case in which the Administrator determines that a research project under this subsection is basic research that would not otherwise be undertaken, the Administrator may award a grant for the research project under this subsection with respect to which the Federal share may equal 100 percent of the total cost of the project.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Environmental Protection Agency to carry out this section $20,000,000 for each of fiscal years 1994 through 2000.".

SEC. 602. STATE CERTIFICATION.

The first sentence of section 401(a)(1) (33 U.S.C. 1341(a)(1)) is amended by inserting before the period the following: "and that any such activity will comply with water quality standards adopted under section 303 and allow for the protection, attainment, and maintenance of designated uses included in the standards".

SEC. 603. REPORTS TO CONGRESS.

(a) CLEAN WATER REPORT.—Subsections (a) through (c) of section 516 (33 U.S.C. 1375 (a) through (c), respectively) are amended to read as follows:

"(a) CLEAN WATER REPORT.—

"(1) IN GENERAL.—On January 1 of the year following the date of enactment of subparagraph (A), and every 2 years thereafter, the Administrator shall submit to Congress a report on measures taken toward the implementation of the goals and objectives of this Act, including—

"(A) a summary of the results achieved in the field of water pollution control research, demonstrations, experiments, studies, and related matters;

"(B) a summary of the status of technology-based water pollution controls;

"(C) a summary of the development of pollutant criteria documents and the adoption of water quality and sediment quality standards;

"(D) an assessment of progress in the development of effluent limitations pursuant to sections 301, 304, 306, and 307;

"(E) a description of State nonpoint source pollution control programs;

"(F) an assessment of the progress in the identification of and development of programs for water quality problem areas, including—

"(i) the national estuary program established under section 320;

"(ii) the Great Lakes program established under section 118;

"(iii) the Chesapeake Bay program established under section 117;

"(iv) other programs that the Administrator considers appropriate; and

"(v) other estuaries and rivers for which management conferences are being conducted;

"(G) a description of alternative requirements for effluent discharges established under section 301 or 307 (including any alternative requirement established under section 301(b)(2) or 307(b) on the basis of fundamentally different factors (as described in section 301(d));

"(H) a description of activities relating to wastewater treatment operator training and certification;

"(I)(i) an identification and assessment of noncompliance with the enforceable requirements of this Act (including an assessment of noncompliance by Federal facilities); and

"(ii) a description of all enforcement actions pending or completed under this Act during the 2-year period immediately preceding the date of the report; and

"(J) recommendations concerning improvements to the water quality programs authorized by this Act.

"(2) CONSULTATION BY ADMINISTRATOR.—The Administrator shall consult with the heads of State agencies in the development of the report required under this subsection.

"(b) WATER QUALITY INFRASTRUCTURE NEEDS ASSESSMENT.—

"(1) IN GENERAL.—The Administrator shall conduct a comprehensive assessment of the cost of construction of public facilities needed to accomplish the water quality goals of this Act.

"(2) CONTENTS OF ASSESSMENT.—The assessment under this subsection shall, at a minimum, describe—

"(A) on a national basis, and for each State, the cost of construction for the rehabilitation, replacement, and upgrading of publicly owned treatment works in existence during the calendar year that is 2 years before the date of the report, including an estimate of the portion of the costs associated with meeting the enforceable requirements of this Act;

"(B) on a national basis, and for each State the cost of construction of expanded or new publicly owned treatment works, including an estimate of the portion of the costs associated with meeting the requirements of this Act;

"(C) the cost of implementing plans for the elimination of combined stormwater and sanitary sewer overflows developed pursuant to section 406, including any additional treatment needed to ensure compliance with water quality standards;

"(D) the portion of the costs described in subparagraphs (A), (B), and (C) associated with treatment works serving fewer than 2,500 individuals;

"(E) the cost to Federal, State, and local governments and agricultural producers of the construction of measures to control nonpoint sources of pollution implemented in accordance with programs developed pursuant to section 319;

"(F) the cost of construction of measures and facilities required to comply with permits for the control of municipal discharges of stormwater;

"(G) the cost of implementation of conservation and management plans approved pursuant to section 320(f);

"(H) the cost of implementation of Lakewide Management Plans and Remedial Action Plans developed pursuant to section 118;

"(I) the cost of implementation of clean lakes projects pursuant to section 314; and

"(J) the cost of implementation of watershed management plans approved by the Administrator pursuant to section 321.

"(3) SUBMISSION OF ASSESSMENT.—Not later than 4 years after the date of enactment of this paragraph, and every 4 years thereafter, the Administrator shall submit the assessment required under this subsection to Congress.

"(c) RESERVED.".

(b) ELIMINATION OF OTHER REPORTS.—

(1) DEVICES FOR FLOW REDUCTION.—Section 104(a)(5) (33 U.S.C. 1254(a)(5)) is amended by striking ", and shall report on such quality in the report required under subsection (a) of section 516".

(2) CHESAPEAKE BAY.—Section 117 (33 U.S.C. 1267) is amended—

(A) by striking subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(3) GREAT LAKES.—Section 118(c) (33 U.S.C. 1268(c)) is amended—

(A) by striking paragraph (10); and

(B) by redesignating paragraph (11) as paragraph (10).

(4) OPERATION OF PUBLICLY OWNED TREATMENT WORKS.—Title II (33 U.S.C. 1281 et seq.) is amended by striking section 210 and inserting "Section 210. RESERVED.".

(5) ALTERNATIVE DISCHARGE REQUIREMENTS.—Section 301(n) (33 U.S.C. 1311(n)) is amended by striking paragraph (8).

(6) CONDITION OF LAKES.—Section 314 (33 U.S.C. 1324) is amended—

(A) in subsection (a)—

(i) by striking paragraph (3); and

(ii) by redesignating paragraph (4) as paragraph (3); and

(B) in subsection (b)—

(i) by striking paragraph (3); and

(ii) by redesignating paragraph (4) as paragraph (3).

(7) STATUS OF NONPOINT PROGRAMS.—Section 319(m) (33 U.S.C. 1329(m)) is amended by striking "(m) REPORTS OF ADMINISTRATOR.—" and all that follows through "(2) FINAL REPORT.—Not later than" and inserting the following:

"(m) FINAL REPORT OF THE ADMINISTRATOR.—Not later than".

(8) ESTUARINE RESEARCH AND MONITORING.—Section 320(j) (33 U.S.C. 1330(j)) is amended—

(A) by striking paragraph (2);

(B) by striking "(j) RESEARCH.—" and all that follows through "In order to" and inserting the following:

"(j) RESEARCH.—In order to";

(C) by striking "(A) a long-term program" and inserting the following:

"(1) a long-term program";

(D) by striking subparagraph (B) and inserting the following new paragraph:

"(2) a program of ecosystem assessment assisting in the development of—

"(A) baseline studies that determine the state of estuarine zones and the effects of natural and anthropogenic changes; and

"(B) predictive models capable of translating information on specific discharges or general pollutant loadings within estuarine zones into a set of probable effects on the zones;";

(E) by striking "(C) a comprehensive" and inserting the following:

"(3) a comprehensive"; and

(F) by striking "(D) a program" and inserting the following:

"(4) a program".

(9) FEDERAL PROCUREMENT.—Section 508 (33 U.S.C. 1368) is amended by striking subsection (e).

SEC. 604. DEFINITIONS.

(a) DEFINITION OF POINT SOURCE.—Section 502(14) (33 U.S.C. 1362(14)) is amended by adding at the end the following new sentence: "The term shall include a landfill leachate collection system.".

(b) CONFORMING AMENDMENT.—Section 507 of the Water Quality Act of 1987 (33 U.S.C. 1362 note) is repealed.

SEC. 605. INDIAN PROGRAMS.

(a) SEWAGE TREATMENT.—Section 518(c) (33 U.S.C. 1377(c)) is amended—

(1) by striking "one-half of one percent of the sums appropriated under section 207" and inserting "1 percent of the sums appropriated under section 607"; and

(2) by adding at the end the following new sentence: "The Administrator shall provide the funds reserved under this subsection directly to Indian tribes and may make a grant in an amount not to exceed 100 percent of the cost of a project that is the subject of the grant. In making a grant under this subsection, the Administrator shall give priority to projects that address the most significant public health and environmental pollution problems, as determined by a needs assessment conducted under paragraph (2).".

(b) NONPOINT POLLUTION CONTROL.—Section 518(f) (33 U.S.C. 1377(f)) is amended—

(1) in the second sentence, by striking "one-third" and inserting "one-half";

(2) in the third sentence, by striking "(d)" and inserting "(e)"; and

(3) by adding at the end the following new sentence: "Notwithstanding section 319(h)(3), the Administrator may make a grant under this subsection in an amount not to exceed 100 percent of the cost of the project that is the subject of the grant.".

(c) REVOLVING LOAN FUNDS.—Section 603(c)(1) (33 U.S.C. 1383(c)(1)), as amended by section 101(a)(2), is further amended by inserting "Indian tribe," after "State agency".

SEC. 606. CLEAN WATER EDUCATION.

(a) IN GENERAL.—Title V (33 U.S.C. 1361 et seq.) is amended—

(1) by redesignating section 519 as section 520; and

(2) by inserting after section 518 the following new section:

"SEC. 519. CLEAN WATER EDUCATION.

"(a) AUTHORITY.—

"(1) IN GENERAL.—The Administrator shall establish a national program of education and information to increase public awareness concerning water quality.

"(2) EMPLOYEES TO IMPLEMENT PROGRAM.—The Administrator shall ensure that for each fiscal year, not fewer than—

"(A) 5 full-time equivalent employees are assigned on a full-time basis to carry out this section; and

"(B) 1 full-time equivalent employee is assigned on a full-time basis to carry out this section in each regional office.

"(b) VOLUNTEER PROGRAMS.—

"(1) IN GENERAL.—The Administrator, in cooperation with the States, shall foster and provide guidance for volunteer citizen programs for the assessment, oversight, and protection of individual waterbodies.

"(2) HANDBOOK.—Not later than 2 years after date of enactment of this subsection, the Administrator shall publish a handbook and other related informational materials with respect to the organization, management, functions, and activities of volunteer citizen programs under this subsection.

"(3) VOLUNTEER CITIZEN PROGRAMS.—Not later than 3 years after the date of enactment of this subsection, and biennially thereafter, each State shall provide to the Administrator a list of volunteer citizen programs and the waterbody served by each program included in the list. Not later than 180 days after receiving the State lists required to be submitted pursuant to this paragraph, the Administrator shall publish a national list of volunteer citizen programs that includes the information in the State lists.

"(4) FEDERAL ENFORCEMENT.—In the case of any action taken pursuant to subsection (c) or (d) of section 309, an appropriate Federal official shall advise the court of any volunteer citizen program listed pursuant to paragraph (3) for the waterbody associated with the violation.

"(c) AWARDS.—

"(1) IN GENERAL.—The Administrator shall implement a program to provide official recognition of the Federal Government to industrial organizations, political subdivisions of States, and volunteer citizen programs that have demonstrated an outstanding commitment to the prevention and control of water pollution.

"(2) SELECTION BY REGIONAL ADMINISTRATORS.—Each regional administrator of the Environmental Protection Agency shall select not more than 3 industrial organizations, 3 political subdivisions, and 3 volunteer citizen programs within the region under the jurisdiction of the regional administrator for an award under this subsection for each fiscal year.

"(3) SELECTION BY ADMINISTRATOR.—The Administrator shall select from the organizations, political subdivisions, and volunteer programs that receive awards pursuant to paragraph (2) not more than 3 industrial organizations, 3 political subdivisions, and 3 volunteer programs to receive national awards.

"(4) FORM OF AWARD.—The Administrator shall award a certificate or plaque of suitable design to each industrial organization, political subdivision, or volunteer program that receives an award under this subsection.

"(5) NOTICE AND PUBLICATION.—The President, the Governor of the appropriate State, the Speaker of the House of Representatives, and the President pro tempore of the Senate shall be notified of each award under this subsection by the Administrator, and the awarding of the recognition shall be published in the Federal Register.".

(b) TECHNICAL CORRECTIONS.—

(1) Section 104(c) (33 U.S.C. 1254(c)) is amended by striking "Health, Education, and Welfare" and inserting "Health and Human Services".

(2) Section 501 (33 U.S.C. 1361) is amended—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

SEC. 607. NATIONAL ESTUARY PROGRAM.

Section 320 (33 U.S.C. 1130) is amended—

(1) in subsection (g)(2), by inserting "and implementation" after "development"; and

(2) in subsection (i), by striking "1987, 1988, 1989, 1990, and 1991" and inserting "1987 through 2000".

SECTION-BY-SECTION SUMMARY

Section 1 is the short title of the bill, to be cited as the "Water Pollution Prevention and Control Act of 1993."

Section 2 presents Congressional findings concerning pollution problems in the Nation's waters and changes to the Clean Water Act needed to address these problems.

TITLE I—WATER PROGRAM FUNDING

Title I of the bill provides program modifications and funding for the State Revolving Funds (SRF) provisions in Title VI of the Clean Water Act, plus funding for State management assistance. Key changes to Title VI include special attention to the funding needs of small communities and expansion of the range of water quality projects eligible for loans.

This title also provides increased funding for State water program management grants and for the general administration of the Act by the Environmental Protection Agency.

Section 101 reauthorizes and modifies Title VI of the Act concerning State Revolving Funds.

Current law provides that projects eligible for SRF assistance include construction of publicly owned treatment works (POTW) and implementation of approved nonpoint pollution control and estuary management programs. The bill expands eligibility to include implementation of combined sewer overflow and stormwater control programs, implementation of watershed plans, implementation of plans developed under the Great Lakes provisions of the Act, implementation of clean lakes protection projects, assistance to a subsurface sewage disposal management organization, and construction of animal waste management facilities.

In addition, current law is revised to assure that SRF assistance may include the cost of obtaining necessary land, easements, or rights-of-way associated with a publicly owned treatment facility.

States are encouraged to provide technical assistance to small communities on management or financial matters related to sewage treatment planning and design by new authority allowing that States may use funds otherwise required as State match, up to an amount equal to 2 percent of the Federal capitalization grant, to provide such technical assistance.

Many small communities have found that limited economies of scale result in high household costs for sewage treatment projects. The bill provides new authority for States to forgive principal of an SRF loan made to the community up to the amount needed to ensure that residential user charges do not exceed 1.5% of median household income for the service area. The amount of assistance provided under this new authority is limited to 20% of the Federal assistance.

The bill provides that amounts appropriated under Title VI be allocated among States based on several considerations including the existing allocation formula, a new formula to be developed by the EPA based on need for all eligible categories, and the need for projects covered by a watershed management plan. The new needs formula and watershed needs are to be phased in over time.

Several States have responded to the large backlog of projects by making more effective use of funds through leveraging. Leveraging involves using the Federal grant as security for money borrowed in the municipal bond market, which thereby makes more funds available for loans. The bill provides for a low rate of leveraging by each State through

an increase in the required rate of binding commitment from 120 to 200 percent.

The bill authorizes funds for SRF capitalization grants at an annual rate of $2.5 billion for fiscal years 1995 through 2000. In addition, in any year when deficit reduction goals established in the 1993 congressional budget resolution are met, authorized amounts are increased by $500 million increments up to a total of $5 billion in fiscal year 2000.

Finally, a number of management changes are made to the Title. States are directed to reserve the greater of 3 percent of allotted funds or $250,000 for planning purposes, including development of watershed management plans. States are given the option of using an alternative approach to determining administrative costs. Territories and the District of Columbia are allowed to use Federal funds as grants rather than loans.

Section 102 amends section 106 of the Act to provide increased funds for State management of water programs and to revise grant conditions. An authorization of $150 million annually through FY 2000 is provided for these grants, an amount double the current authorization of $75 million.

The bill provides that a portion of section 106 funds be allotted by EPA to support innovative State pollution control and prevention programs and that States provide a minimum amount of non-Federal funds to match Federal funds.

Section 103 authorizes funds to be appropriated for general programs in the Act. Authorizations under this section are increased from the current level of $135 million to $185 million in FY 1994 and 1995, $190 million in FY 1996 and 1997, $195 million in FY 1998 and 1999, and $200 million in FY 2000.

TITLE II—TOXIC POLLUTION PREVENTION AND CONTROL

Title II revises key portions of the Clean Water Act that regulate industrial toxic pollutant discharges to the Nation's waters. Industrial effluent guidelines are to be written to eliminate discharges whenever feasible, reflect source reduction options, and limit the release of pollutants to other environmental media. EPA is given new authority to develop pollutant criteria documents and adoption of toxic criteria by States. New requirements are added to the Act to ensure that highly toxic, persistent, or bioaccumulative pollutants are eliminated from industrial waste streams. In addition, new requirements for toxic pollution prevention planning by industry are provided.

Section 201 revises the Act's requirements concerning technology-based controls applicable to existing industrial point sources, new industrial point sources, and existing and new industrial dischargers to treatment works. The bill maintains the existing requirement that effluent guidelines promulgated by EPA reflect application of best available control technology economically achievable for categories of industrial sources and eliminate discharges whenever possible. The EPA is given new authority to include in guidelines source reduction practices including changes in production processes. In addition, effluent guidelines are to prohibit or limit cross-media transfer of pollutants, where technologically and economically achievable. Finally, standards for discharges to treatment works are required to be no less stringent than standards for dischargers to waters for toxic pollutants.

The bill provides for EPA to review existing effluent guidelines and requires revision whenever there have been significant changes in factors relating to the guidelines, including advances in treatment or source reduction practices. The current requirement for the development of plans for effluent guidelines is revised to make the plan less frequent but more comprehensive. Further, when establishing guidelines for industry categories, EPA is to simultaneously issue effluent guidelines, new source standards, and pretreatment standards.

This section also directs EPA to assess fees in order to offset the full cost of developing and publishing guidelines and standards. Fees are to be assessed on sources in an industry for which the standards are being issued and are to be based on the proportional amount of the source's discharge.

Section 202 strengthens the water quality criteria and standards provisions of current law.

Several amendments address the development of pollutant criteria documents. EPA is given clear authority to publish criteria for contaminants in sediment. EPA is to develop new criteria for pollutants associated with nonpoint sources within three years and to develop not fewer than 8 criteria sediment contamination within four years.

EPA is to develop a plan and schedule for the issuance of criteria within two years of enactment and every five years thereafter. EPA is to use authorities under Federal pesticide and toxic substance laws to identify new pollutants which may pose a threat to the environment. Finally, EPA is authorized to seek data related to criteria documents from dischargers.

Several changes to the water quality standards authorities are proposed. States are to adopt use designations for all rivers, streams, lakes, estuarine regions, and waters of the territorial sea within 5 years of the date of enactment. In addition, States are to adopt a methodology to translate a narrative water quality standard into a numeric limit within three years.

New criteria documents for toxic pollutants shall be deemed to be enforceable water quality standards on the date of publication. A State may object to application of a criteria as a standard but must adopt an alternative standard within three years. States are to adopt standards based on criteria within three years of publication of criteria.

Building on existing EPA regulations, the bill requires States to implement an antidegradation policy. The policy is to ensure protection of existing instream uses and maintenance and protection of water and sediment quality that exceeds levels necessary to protect balanced fish and wildlife populations. Outstanding national resource waters are defined and are to be protected.

The bill includes a requirement for development of a national policy on mixing zones which is to prevent acute toxicity, limit mixing zone size, and specify factors for determining mixing zones.

Section 203 provides strengthened authority for prohibiting the discharge of the toxic pollutants which are highly toxic or bioaccumulative. The EPA is to develop a list of target pollutants after considering similar lists. Citizens are able to petition for the addition of pollutants to the list. Regulations are to prohibit discharge of listed pollutants within 5 years. If the Administrator determines for a source or category of sources that the pollutant cannot be eliminated through the use of alternative substances and the source or category is making the maximum use of available technology, the phase out period may be extended.

This section also provides for the periodic review and updating of the list of toxic pollutants under section 307(a) and for a national study of the developmental effects of pollutants on wildlife and humans.

Section 204 strengthens programs to control industrial pollutants that are discharged to sewers for treatment by publicly owned treatment works (POTWs). Under current law these sources are required to pretreat wastes that would interfere with the POTW or sludge produced by it.

The bill allows permit officials to impose pretreatment requirements on industrial users of a POTW, even if the source is not otherwise subject to a pretreatment program. Current law is revised to provide that the pretreatment requirements applicable to an industrial source may be revised and removal credit allowed only where biodegradation of toxic pollutants occurs at the treatment works, the treatment works does not violate effluent limitations or standards, and the pollutant does not prevent sludge use or disposal.

The bill also revises the Domestic Sewage Exclusion in the Resource Conservation and Recovery Act, which currently excludes hazardous wastes that are mixed with domestic sewage from RCRA's management requirements, if the combined wastes are discharged to a POTW. The bill provides that the exclusion from RCRA only applies where a pretreatment standard for the pollutant and source is promulgated or scheduled to be promulgated within 8 years or the pollutant and source are subject to a local limit providing best demonstrated available treatment technology under RCRA.

Section 205 establishes a pollution prevention planning process for industrial wastes discharged directly to the Nation's waters or to municipal sewer systems. EPA is directed to identify not less than 20 pollutants which, if discharges were reduced, would benefit human health or the environment. Dischargers of such pollutants are to develop pollution prevention plans for these specific pollutants and other toxic pollutants as part of permit applications. EPA is to assure that plans are developed for not less than 80 percent of the discharge of each of the listed pollutants.

Plans are to include goals for pollution reduction over the life of the permit and provide for annual reports concerning progress toward attaining goals. EPA is to develop guidance for developing pollution reduction goals based on the success of early plans. A report to Congress is required with five years.

TITLE III—WATERSHED PLANNING AND NONPOINT POLLUTION CONTROL

Title III expands existing authority for monitoring of waters, modifies the nonpoint source management program enacted in 1987, and establishes new procedures to comprehensively manage all sources of pollution in watershed areas. Funding for nonpoint program implementation is increased substantially over the authorization period.

Section 301 directs States to carry out comprehensive monitoring programs as the primary means of assessing water and sediment quality. Minimum requirements for State water quality monitoring programs are established, and State reports on their monitoring activities are required every five years instead of every two years.

A new Water Quality Monitoring Council is established to coordinate Federal and State monitoring programs. The President is to prepare a strategy for coordinated implementation of water quality monitoring programs. The EPA is to report to Congress every five years on water quality conditions and trends.

New authority is established allowing the EPA or a State to require dischargers to monitor receiving waters associated with the discharge.

Section 302 provides new authority for voluntary watershed planning and management. States are eligible to designate watershed areas and management entities to be responsible for development of plans for protecting water quality and the living resource supported by the waters.

Watershed plans are to characterize waters and land uses of the watershed, identify water quality problems, identify goals for watershed management, allocate needed loan reductions among point and nonpoint sources, and identify needed financial resources and the institutional arragements needed to carry out the plan.

Watershed plans are to assure that water and sediment quality standards are attained within 10 years after the date of submittal of the plan. In the case of a watershed with only point sources, or for which pollutant load reductions for point sources were reduced through the application of controls over nonpoint sources, water quality standards are to be met within five years. Permit terms may be extended in anticipation of a plan and permits for discharges within a watershed to waters meeting standards may be extended for up to 10 years.

Section 303 revises section 319 of the Act to better address management of nonpoint sources of pollution.

States are to develop revised assessments of impaired waters within 2 years of the date of enactment and every five years thereafter. Assessments are to identify the watershed area of the impaired water. Citizens are authorized to petition to add waters to the list. A second assessment phase is to include special attention to biological monitoring and to water quality standards associated with nonpoint sources of pollution.

Within two and one half years of the date of enactment, States are to revise 319 plans to be consistent with guidelines developed by the Administrator of EPA. For new sources, plans are to implement minimum best management practices in all parts of the State within 3 years. In areas identified as having nonpoint pollution problems, States may implement minimum best management practices or site specific water quality plans. Approval of 319 plans is a condition of grant assistance under this section.

Guidance is to specify management measures and program implementation criteria for nonpoint pollution control as well as monitoring needed to determine progress toward pollution control. The Administrator of EPA may adjust provisions of the guidance to reflect regional variations.

Site specific water quality plans are the primary means of implementing nonpoint pollution controls in impaired watersheds. Plans are to provide for measures which are appropriate to the site and which will result in reasonable further progress in reducing water pollution. Plans are to be implemented within three years. Plans developed as part of a watershed plan are to assure compliance with water quality standards as soon as possible but not later than 10 years after the plan, or within five years in the case of a watershed in which point source requirements are adjusted.

A second revision of plans is required 7 years after the date of enactment. The revised plans are to include specific enforcement authorities for site specific water quality plans and the use of site specific plans is limited to areas with approved watershed plans.

The bill authorizes funds for section 319 grants, beginning with $300 million in FY 1995 and increasing to $600 million in FY 1999 and FY 2000. Fifty percent of these funds are to be allotted on the basis of a formula to be specified. In fiscal years 96 and 97, fifty percent of funds are to be allotted on the basis of acreage of impaired waters while in later years fifty percent of funds are to be allocated based on the costs of plan implementation.

The use of funds under section 319 is substantially expanded to include grants to implement management measures, including requirements of site specific water quality plans. Funds are also available for acquisition of land or conservation easements. The amount of a grant to a person is limited and other conditions apply.

The bill provides for coordination with other Federal programs. The Secretary of Agriculture is directed to give priority consideration under environmental conservation policies, the conservation reserve program, and contracts for highly erodible lands to the watersheds of impaired waterbodies identified under section 303(d) of the Clean Water Act. In establishing priorities for the conservation reserve program, the Secretary is to consider lands identified and recommended by EPA.

Federal agencies are directed to control nonpoint sources of pollution on lands that they manage through management measures and site-specific water quality plans and are to be reflected in licenses, permits, contracts, leases, or operational authorities for activities authorized on Federal lands. Highway construction projects funded under the Intermodal Surface Transportation Efficiency Act are to implement nonpoint pollution control management measures.

EPA is to publish guidelines for the design and construction of animal waste management facilities. Thereafter, persons with approved plans for constructing facilities under the guidelines shall be eligible for assistance under title VI. Subsection (f) is a similar provision for management of subsurface sewage disposal. EPA is to publish guidelines for the design and operation of publicly owned subsurface sewage disposal (i.e. septic) organizations. Persons with plans approved under the guidelines shall be eligible for assistance under title VI.

TITLE IV—MUNICIPAL POLLUTION CONTROL

Title IV of the bill addresses two key sources of urban water pollution, overflows from combined stormwater and sanitary sewers (CSOs) and municipal separate stormwater discharges. The bill endorses the EPA draft policy on CSO control practices, but provides new authority to allow for the long term permit needed to implement the policy. The bill eliminates the obligation of most small communities, under 100,000 population, to have permits for discharges of stormwater and provides for the development of permits for larger communities based on both minimum program elements and compliance with water quality standards. Finally, new authority is included in the Act concerning water conservation.

Section 401 of the bill endorses the draft EPA policy for control of CSOs. The bill provides the EPA with the authority needed to issue long term permits and long term compliance schedules for the control measures required to implement plans. Permits and compliance schedules are not to exceed 15 years unless the Administrator determines that the permittee lacks the economic capability to meet the schedule.

This section also provides that, prior to the establishment of a final CSO control plan, the existing standards for bacteria be reviewed and revised to be consistent with the bacteria criteria document published in 1986.

Section 402 modifies section 402(p) concerning permit requirements for municipal sources of stormwater. In the case of small municipalities (serving less than 100,000 persons) located in an urbanized area, stormwater permits are to be included in the permit issued for the larger area.

EPA is directed to issue guidelines on practices deemed the "maximum extent practicable" to manage and control municipal stormwater discharges. Guidance is to include management measures and best management practices for pollution control including measures required in guidance required under section 6217 of the Coastal Zone Act Reauthorization Amendments.

Permits issued for large and mid-sized communities beginning three years after the date of enactment are to assure compliance with the national guidance and are to be written to assure compliance with water quality standards. However, the failure to attain a water quality standard during this permit term shall not be considered a violation of this Act.

Finally, EPA is to study the contribution of stormwater pollutants from sources such as motor vehicles and household products. Where such pollutants in stormwater contribute to water quality violations, EPA may require reduction or substitution of the pollutant or its source.

Section 403 provides new authority for promoting water conservation. EPA is designated to coordinate Federal policies on municipal, industrial, commercial, and residential water conservation. The Army Corps of Engineers is to provide assistance to States, water utilities, local governments and other public agencies on water conservation topics such as public education, water rates and pricing, leak detection, water-saving technologies, and regional water and sewer system management. EPA is to set up a national clearinghouse on water conservation. Up to $10 million per year is authorized for this effort.

TITLE V—PERMIT PROGRAM AND ENFORCEMENT

Title V provides improvements to several of the Clean Water Act's point source permit requirements and clarifies permit issuance procedures. States will be required to assess permit fees to support their water quality programs. A number of amendments to enforcement provisions of the Act are included to strengthen and clarify the administrative, civil, and criminal penalty elements of the law, as well as remedies and emergency powers.

Section 501 requires States to collect permit fees from industrial and municipal point source dischargers. Total fees are to be adequate to recover 60 percent of the costs of administering the point source elements of a State's water quality programs, including permit review, enforcement, water quality monitoring, preparing regulations, and identifying and monitoring impaired waters. EPA shall assess and collect fees if a State fails to do so. This provision is similar to a permit fee requirement enacted in the Clean Air Act Amendments of 1990.

Section 502 contains several modifications to sections 402. Subsection (a) requires that section 402 permits for new sources must be obtained prior to construction of a new facility. Permits for publicly owned treatment works assisted under this Act with user charge provisions of the law (section 204(b)(1)) for a period of 20 years. The bill

provides that existing permits may be revised to reflect issuance of new or revised effluent guidelines or water quality standards. In addition, judicial review of permits issued by a State is assured.

The bill includes several proposals to increase attention to the impact of permit decisions on the biological condition of waters. The EPA Administrator is to work with State Governors and appropriate Federal and State agencies to identify sensitive aquatic systems that support valuable biological resources. Permits for discharges to these waters are to be reviewed by the U.S. Fish and Wildlife Service or National Marine Fisheries Service, as appropriate and are to comply with the conditions of section 403.

This section also directs EPA to issue biological monitoring methods for establishing the biological condition of waterbodies and to establish numerical limits for acute and chronic whole effluent toxicity. These limits are to be included in permits for discharges likely to exhibit toxicity.

Finally, EPA is authorized to issue special experimental permits for facilities proposing to test an innovative or alternative treatment method or practice. Under such a permit, EPA may temporarily suspend any permit limit where necessary to test the treatment method or practice, provided that water quality standards are not violated.

Section 503 contains a number of amendments to enforcement provisions of the Act.

A key amendment specifies that citizen actions may be brought for past violations of the law where such violations have been repeated.

The bill provides that courts are permitted to order that civil penalties and criminal fines be used for beneficial water quality projects to enhance the quality of waterbody in which the violation occurred and to restore damaged natural resources. Violations of pretreatment requirements are added to those activities that may lead to enforcement under the Act. A program is established under which EPA may issue field citations for minor violations of the Act ($5,000 per day per violation up to a maximum of $25,000 per violation). EPA's authority under section 308 to obtain relevant information necessary to implement the act is clarified.

Several provisions are intended to improve State enforcement authorities. States are to apply an economic benefit policy in determining amounts of penalties. In addition, EPA is to withhold a portion of a State's section 106 grants if the State fails to demonstrate adequate permit authority and authority to impose minimum administrative civil penalties.

The bill also addresses Federal enforcement issues. Federal procurement provisions are clarified to prohibit Federal agency contracts with any person found liable for a civil penalty on 3 or more enforcement actions occurring in a 5-year period. Enforcement procedures against Federal facilities are clarified and strengthened. Sovereign immunity is expressly waived concerning substantive or procedural requirements, administrative authority, sanctions, and imposition of reasonable charges.

Existing authority of the Act is revised to clarify emergency actions that the EPA Administrator may take in the event that an actual or threatened discharge of a pollutant presents an imminent and substantial endangerment to public health of welfare. The Administrator is authorized to issue an order or bring suit; persons who violate or refuse to comply may be subject to penalties up to $25,000 per day.

TITLE VI—PROGRAM MANAGEMENT

Title VI contains amendments addressing several program management issues. New authority is provided to demonstrate improved water pollution control practices, technologies, or processes. Provisions of the Act concerning State certification of activities or projects affecting a State's water quality laws are clarified. Section 518 of the law, dealing with treatment of Indian tribes, is modified and funds available to Indian tribes to carry out water quality programs are increased. In addition, a national program of education and information on water quality is established.

Section 601 authorizes programs to demonstrate new or significantly improved water pollution control practices, methods, technologies, or processes. Projects assisted will be those with potential to control pollutants that present risks to human health, to advance pollution control of regulated industries, to foster pollution prevention, or to advance control of point and nonpoint sources of water pollution. The Federal share of project costs is limited to 75 percent, but may be 100 percent for basic research projects. Funding of $20 million per year is authorized.

Section 602 amends existing authority for States to review Federal projects to assure that Federal approvals do not cause violations of water quality standards. The bill clarifies that State water quality standards include designated uses of waters in addition to chemical specific water quality standards.

Section 603 prescribes reports required of EPA, including a biennial Clean Water Report summarizing water quality research results; development of criteria documents and adoption of standards; progress under the national estuary program, Great Lakes, and Chesapeake Bay programs; assessment of noncompliance with the Act and enforcement actions; and recommendations to improve water quality programs.

An expanded needs assessment of costs of public facilities to provide water quality infrastructure is to be provided every 4 years. In addition to costs of projects traditionally reported in the current biennial EPA needs survey, it is to include costs to implement CSO plans; stormwater control projects; costs of projects to serve small communities; nonpoint source control program implementation; estuary, clean lakes, and Great Lakes project costs; and cost of implementing municipal water conservation measures. A number of current report requirements in the law are consolidated.

Section 604 revises certain definitions in the law. "Point source" is defined to include a landfill leachate collection system.

Section 605 modifies section 518 of the Act to increase funds available to Indian tribes for wastewater treatment works planning and construction (increased from 0.5 percent to 1 percent of Title VI appropriated funds) and nonpoint source pollution management (increased from 0.33 percent to 0.5 percent of section 319 appropriated funds). Tribes may receive funds directly from EPA rather than distributed by a State. Qualified Indian tribes may be delegated authority to issue discharge permits.

Section 606 adds a new section 519 to assist volunteer citizen programs for water quality protection of individual waterbodies. An awards program is authorized to recognize industrial organizations, local governments, or citizen groups for outstanding commitment to prevention and control of water pollution.

Section 607 of the bill amends the existing National Estuary Program to provide that grants may be provided to management conferences and to extend the authorization.

• Mr. CHAFEE. Mr. President, I am pleased to join with Senator BAUCUS to introduce the Water Pollution Prevention and Control Act of 1993. This bill amends and extends the Clean Water Act, one of our most successful environmental statutes.

We have worked closely with officials from EPA to draft a bill that builds on the success of the existing law. We have consulted with a broad array of people very knowledgeable on the day-to-day impacts of the Clean Water Act and taken their experience into account. This is a solid bill to keep the Clean Water Act on track through the end of the 1990's.

Tomorrow the Subcommittee on Clean Water, Fisheries and Wildlife will begin hearings on reauthorization of the Clean Water Act. These hearings will extend through the summer and cover each of the titles of the bill we are introducing today.

Mr. President, last October the Nation celebrated the 20th anniversary of the Clean Water Act. The Congress has been concerned about water pollution for a very long time—going back to the Rivers and Harbors Act of 1899. But the legislation firmly dedicating our Nation to protect our water resources was enacted in 1972.

In that law the Congress set some very ambitious goals including the absolute elimination of all discharges by 1985. We haven't attained the zero pollution goal yet, but we have made great strides in the last 20 years in the quality of our Nation's waters.

Twenty years ago the Cuyahoga River caught fire. The Great Lakes were choking, literally starved for oxygen, because of manmade pollution. Urban rivers like the Potomac were no longer suitable for recreation.

I well remember a boat ride I took on the Potomac in July 1971. At the time I was Secretary of the Navy and I invited my British counterpart for a ride on the Presidential yacht, *Sequoia*. It was a hot, windless July afternoon. Seating for our party was on the fantail just about the propeller. It was like boating on an open sewer as the propeller churned the water. We were soon driven inside for the remainder of our trip.

Today, a very large portion, more than 80 percent, of our rivers and lakes meet the interim goal of the Clean Water Act. They support a healthy population of fish and aquatic life and they are safe for recreational uses. They are fishable and swimmable. The powerful impact of the Clean Water Act can be seen on the Narragansett Bay where water quality in the upper bay is getting better, not worse, for the first time in a century.

The great success of the Clean Water Act has been built on three foundations:

First is the requirement that all point sources obtain a permit. Some 65,000 industrial dischargers and sewage treatment plants operate under Clean Water Act permits. These permits have made it possible for the Government to effectively enforce its requirements.

The second key to success is the requirement for industry to use best available pollution control technology, also known as BAT. There are 50,000 industrial facilities that now have permits that require the use of best available technology. The typical industrial BAT standard reduces pollution by 90 percent from previous levels. This is not inexpensive. Private industry now spends $20 billion per year to meet these standards.

And the third element is Federal support for the construction of sewage treatment plants. Over the last two decades the Federal Government has made $60 billion in grants to build sewage treatment plants. Today, 155 million Americans, 62 percent of the population, are served by sewage treatment plants meeting the secondary treatment standards mandated by the Clean Water Act.

In 1987 the Congress converted the construction grants program into a revolving loan fund. We no longer make grants directly to local projects identified on a State priority list as we did in the 1970's and 1980's. Instead, the grants are made to the States. Each State has established a trust fund to manage this money. These funds are then used to make loans to local governments for sewage treatment plant construction. The money is paid back by the cities and towns and returned to the trust fund so that it is available for new loans. These trust funds are called State revolving funds or SRF's.

When Congress created the SRF program in 1987, it was to be the last phase of the Federal role in financing sewage treatment plant construction. Termination of this program in 1994 reflected an agreement that was made between the Congress and President Reagan in 1981.

But over the last 2 or 3 years, the outlook for a continuing Federal role in sewage treatment plant construction has changed dramatically. The States have done a magnificent job with the revolving loan funds. The Bush administration came to see these grants as the very best environmental investment made by the Federal Government. It appears that President Clinton wants to continue the program.

In fact, the last budget of the Bush administration included $2.5 billion for sewage treatment grants and loans in 1993. That is more than double the authorized amount and the largest appropriation for this purpose since 1981.

To illustrate the continuing need for these dollars consider the case of Rhode Island. The Narragansett Bay Commission, our sewerage agency, recently approved a $467 million project to correct a combined sewer overflow problem. It will build tunnels and storage tanks to assure that all sewage is treated before it is discharged to the bay. This will be the largest construction project in the history of the State. That is the kind of project that may be financed with these Federal grants.

Federal support for sewage treatment plant construction should be continued. It is a Federal program that has worked. In addition to extending the program, we should also expand the list of eligible activities to include investments in stormwater control and correction of combined sewer overflows.

Since the SRF grant program expires in 1994, reauthorizing the Clean Water Act is now a high priority. Senator BAUCUS, the distinguished chairman of the Environment and Public Works Committee, has indicated that the Clean Water Act will be the committee's highest legislative priority this year.

As I have worked with Senator BAUCUS to prepare this bill, I have tried to keep four basic agenda items in mind.

Our first priority must be to maintain what has worked—to extend the grants for State revolving funds. This may be more difficult than some think. The budget proposals made by President Clinton for 1994 and beyond suggest a lower level of funding than the last years of the Bush administration. And many have targeted those dollars for other purposes including grants for drinking water supply and municipal waste landfills.

Second, we should use this reauthorization to make real headway on nonpoint source pollution. It is our best opportunity to improve water quality. It is responsible for more than 50 percent of our water quality problems today.

Nonpoint pollution is the name that we give polluted runoff from city streets and farm fields and from construction and industrial sites. It is diffuse, intermittent, and hard to measure. It comes from thousands—millions—of small sources.

If we set aside all of the many good amendments that people might dream up for this reauthorization bill for just a moment and focus on water quality, it is clear that nonpoint source pollution is the major unfinished task for our clean water program.

Let me cite the official statistics: 65 percent of the river and stream miles that are out of compliance with national water quality standards fail because of nonpoint pollution. It is responsible for 76 percent of the lake pollution and 45 percent of the estuary areas that don't meet water quality standards.

Agricultural runoff is the nonpoint source responsible for 50 to 70 percent of this damage and most of the agricultural pollution is attributable to animal waste management. The next largest source is urban runoff at 5 to 15 percent of the problem.

Our nonpoint source pollution control efforts have failed in the past because they have not made direct contact with the polluters. What we have done in the past is plan. Section 319 of the Clean Water Act adopted in 1987 and its predecessor section 208 call for State plans to identify and control nonpoint pollution.

Many wonderful plans have been written by the States and submitted to EPA. But they haven't brought the expertise and resources necessary to control nonpoint source pollution to the farmers and the developers and the public works departments in our towns and cities that can actually do something about the problem. We need to get in direct contact with the sources of the pollution helping them with practical solutions for their water quality problems.

My third objective for this reauthorization of the Clean Water Act is to bring attention to the biological productivity of our waters. For the past 20 years the Clean Water Act has been principally concerned with the chemical quality of water. Water quality criteria have been written for more than 100 chemical pollutants. Effluent guidelines to control the chemical pollutants of 50 industries have been promulgated. Permits for 65,000 plants set limits on the chemical constituents in their discharge. As I have said, these measures have resulted in significant improvement in the chemical quality of our waters.

But an end to chemical discharges is not always enough to restore the fish and wildlife in a lake or river ecosystem. Often the development that brought chemical discharges has also destroyed the habitat necessary to sustain the living resources that give clean water its value. Waters are fishable only if fish live and reproduce in them.

Habitat protection and restoration must be a working objective for the next 20 years of the Clean Water Act. Future water quality criteria developed by EPA must include habitat criteria. Nonpoint pollution programs must include the biological productivity of the waters as a goal. Projects that will restore habitat and the productivity of the waters should be eligible for Federal grant dollars.

My fourth and final agenda item is sometimes called watershed planning. The reality is much more exciting than the name suggests. Watershed planning is people learning about the workings of the lake or river or estuary in their community, learning how they affect its quality, learning what can be done to restore its bounty.

As we look to the future of the Clean Water Act, we need to find ways to

bring it alive for the American people. The vast majority of the American public cares very little about NPDES permits or best technology standards or sewage treatment grants. What they care about is the river, lake, or bay in their community or their State.

The future of the Clean Water Act has to be more local. It has been a success; but there is much yet to be done. In this age of Government debt and tight budgets, our legislative agenda may be limited, but the love the public has for its lakes and rivers and bays has not been fully tapped. If we can capture that resource through a comprehensive planning process in every watershed, we will enjoy another 20 years of progress under the Clean Water Act.

I am pleased to say, Mr. President, that my highest priorities for a Clean Water Act reauthorization have been addressed in this bill. It extends the SRF grants through the year 2000. This bill includes an effective program to control nonpoint source pollution. The bill will make new resources available for habitat protection and restoration. And this bill implements the Clean Water Act through local watershed plans that involve people everywhere directly in the future of their water resources.

With that let me summarize the major provisions of this legislation.

STATE REVOLVING LOAN [SRF] FUNDS

Under the Clean Water Act, EPA makes grants to the States to capitalize revolving loan funds. The Federal money and a State match in the fund are loaned out to cities to build sewage treatment plants and for other water quality projects. The loans are paid back over 20 years. Authorization for the Federal capitalization grants expires in 1994.

This bill extends the authorization for grants through the year 2000 at $2.5 billion per year. Additional funds—up to $2.5 billion in 2000—would be available, if federal budget deficits are reduced.

The bill also revises the formula for distributing these grants among the States to reflect more recent assessments of need and to provide incentives for comprehensive watershed planning.

Many small communities have been unable to take advantage of the SRF program because they cannot afford to repay a loan. And in many large, older cities sewer rates have increased dramatically in recent years. The bill authorizes the State to use up to 20 percent of their capitalization grant to reduce principal payments on loans in cities where sewer rates exceed 1.5 percent of median family income.

Finally, the bill eases the planning and reporting requirements that apply to cities receiving assistance under the program.

STATE RESOURCES

Tight budgets at the State level have made full implementation of the Clean Water Act a difficult proposition. The bill includes two important provisions to assist States in their implementation efforts. First, it imposes fees on point sources subject to the permit requirements of the Clean Water Act. These fees are to cover 60 percent of the costs of State point source water quality programs. It is expected that total fees across the Nation will amount to $300 million per year.

Second, the bill reauthorizes and increases the Federal program grant—called section 106 grants—to the States. The total authorization is to be $150 million per year through 2000.

COMBINED SEWER OVERFLOWS (CSO)

One of the most serious remaining water quality problems is combined sewer overflows. The pipes that carry sewage to treatment plants are in many cities also used to drain water from the land during storms. During large storms the flow of water may overwhelm the capacity of the treatment plant and as a result raw sewage is discharged directly to receiving waters. The bacteria and other pathogens in the untreated wastewater force the closing of beaches and shellfish beds.

These discharges should have been addressed by the Clean Water Act. But building the treatment and storage capacity to deal with the problems will cost more than $100 billion. For instance, the State of Rhode Island has recently adopted a CSO control plan which relies on underground tunnels to store the stormwater until it can be treated. That plan will cost $467 million and take 11 years to build.

Last year EPA asked representatives of the cities and the environmental community to jointly develop a long term CSO control policy for the nation. Those negotiations were successful and produced a consensus policy.

This bill endorses EPA's new CSO control policy. It authorizes EPA or a State to issue a 15-year permit to a city that has developed a CSO control program that is consistent with EPA's policy. Any city can get an extension of the 15-year compliance deadline, if completing the project is not affordable during that period.

STORMWATER PERMIT REQUIREMENTS

Stormwater discharges from municipal storm sewers are considered a point source under the Clean Water Act. In 1987 Congress adopted amendments requiring large cities to obtain permits for their stormwater discharges. Small cities are exempt from this requirement until October 1994.

The bill includes two significant amendments to the municipal stormwater requirements of the act.

First, most small cities will be given a permanent exemption from the permitting requirement. Only those small cities in an urbanized area that includes a large city with a permit will be required to obtain a permit in the future. Stormwater discharges from small cities outside of urbanized areas will be treated as nonpoint source pollution. Small cities in watersheds with impaired waters will be required to adopt best management practices, as would each other source in the watershed.

Second, for those cities still subject to the permit requirement, changes are made to make the program more workable. For the next 10 years permits are to focus on the best management practices [BMP's] and not on numerical limitations applied to each stormwater outfall—as is the case under current law. A key concept in the act, "maximum extent practicable," is defined as BMP's conformance with guidance issued by EPA—including guidance issued under the Coastal Zone Management Act.

NONPOINT SOURCE POLLUTION

Runoff from farm fields and city streets now accounts for more than half of the water pollution in the United States. Under the Clean Water Act runoff is called nonpoint source pollution and is not subject to permit requirements or mandatory technology controls.

In amendments to the Coastal Zone Management Act [CZMA] adopted by the Congress in 1990, EPA and NOAA were instructed to publish guidance to the States on the management measures that would be most effective in controlling nonpoint sources of pollution and States are required to assure implementation of these BMP's coastal areas.

The bill builds on the CZMA program. EPA is instructed to issue a similar guidance document for inland sources of nonpoint pollution. Each State is to identify waters within the State that are not meeting water quality standards because of nonpoint pollution. States will also delineate a land area around each impaired watershed that includes the sources causing or contributing to the impairment. Sources within these land areas will be required to carry out the BMP's in the EPA guidance document. In addition, all new sources of nonpoint pollution in any watershed will be required to adopt BMP's.

A farmer or a city or a developer who is subject to these management requirements can develop an alternative site-specific nonpoint control program for his or her activity. These site-specific plans will be developed in cooperation with an agency like the Soil Conservation Service or a State forestry agency. Conservation Compliance Plans [CCP's] developed under the 1990 Farm Bill will count as site-specific plans in the initial phase of the program and may be updated to reflect water quality goals for a watershed.

The bill also contains a reauthorization and substantial increase in the Federal grants to support State nonpoint source pollution control programs. A total of $3 billion is provided

between 1995 and 2000 for this purpose. Up to 50 percent of the funds may be used for grants to individual landowners—up to $5,000—to encourage the adoption of site-specific BMP's. And 30 percent of the funds could be used for land acquisition and conservation easements to protect water quality from nonpoint pollution.

COMPREHENSIVE WATERSHED PLANNING

The Clean Water Act contains many tools to protect and enhance water quality, but resources to use them are limited. To integrate the many programs under the act, to make better use of available resources and to assure support for water quality controls at the local level and in the private sector, the bill includes a new program to encourage watershed planning.

A Governor may designate any waters and the surrounding upland area as a watershed management unit. The Governor will also select an agency or organization to do planning for the watershed. The organization is eligible for grants under the act to support planning and watershed management programs.

Watershed plans may have many elements including characterization of the resource, identification of water quality problems, designing and selecting projects to control pollution or to restore water quality, and coordinating implementation of the projects.

Specific watershed protection plans may be submitted by the Governor of a State to EPA for approval. The bill includes several incentives to encourage the development of EPA-approved plans. Projects and activities identified through watershed plans are eligible for funding. A portion of the SRF money is allocated to support these projects. And in the future site-specific plans for nonpoint source pollution control will be tied to goals identified in watershed plans.

INDUSTRIAL POLLUTION

Industrial facilities have been addressed under two Clean Water Act programs in the past. EPA publishes "effluent guidelines" setting water pollution control standards for particular industrial categories—paper mills, steel plants, oil refineries, and so forth—based on the level of pollution reduction that can be achieved using best available control technology. These guidelines apply to point sources discharging directly to surface waters. Individual facilities in these industrial categories receive specific limits in their Clean Water Act discharge permits based on the guidelines.

A second group of industrial facilities is regulated under the pretreatment program. These facilities do not discharge to surface waters directly, but to sewers that take wastewater to publicly owned sewage treatment plants. Large sewage treatment plants are required to regulate the industrial discharges—to require pretreatment—to assure that the industrial waste does not disrupt operations necessary to adequately treat domestic wastes. EPA may reestablish national categorical standards for particular industries that guide local sewage plants as they regulate their industrial users.

This bill requires that future effluent guidelines and national categorical pretreatment standards include consideration of source reduction opportunities in determining best available control technology. Source reduction is pollution prevention. It involves changes in processes or feedstocks or housekeeping practices that reduce the amount of waste generated. The bill also makes clear EPA's authority to regulate cross-media pollution—the transfer of pollutants from the wastewater stream to other environmental media like air or ground water.

In addition to the requirement to consider pollution prevention techniques in new national guidelines, the bill also relies upon pollution prevention initiatives that can be adopted at specific facilities. Some industrial point sources and industrial users will be required to develop pollution prevention plans to reduce the generation of the most serious water pollutants. EPA is to list at least 20 pollutants and sources discharging those pollutants in large amounts will submit pollution prevention plans with future permit applications.

ENFORCEMENT

There are two very important amendments to the enforcement provisions of the Clean Water Act in this bill. The first is a change to the citizen suit provision. Several years ago the Supreme Court ruled that courts may not impose penalties in citizen suit cases for violations of the act that are wholly past violations. This bill corrects the defect the Court found in the act and allows penalties for past violations, but only where the violations have been repeated. This amendment parallels changes made to the Clean Air Act in 1990.

A second amendment relates to State enforcement authorities. States have principal responsibility for carrying out the Clean Water Act and assuring compliance. But in many States enforcement powers are not up to the job. When a State discovers a violation it may notify the violator, a notification too frequently ignored, or it may go into court and seek a penalty. Going to court is a big step and is only taken when the violations are very serious.

In 1987 Congress gave EPA the authority to impose administrative penalties to deal with violations. Administrative penalties fill the gap between mere notices and court actions. This bill asks the States to adopt equivalent administrative penalty authority. If they have not adopted that authority within 3 years, they are subject to the loss of a small amount of their Federal grant. Again, this provision parallels language that Congress included in the Clean Air Act in 1990.

Before I conclude these comments, Mr. President, I would like to make one final point and that relates to the State Revolving Fund Program. As I said, many small communities cannot afford to repay loans from the SRF.

We have, therefore, concluded that it is appropriate to provide subsidies—grant assistance—to communities with high sewer rates. This would be all communities with high sewer rates including some very large cities.

The bill we are introducing allows States to use money from the Federal capitalization grant for this purpose. Each State can use up to 20 percent of its Federal grant to subsidize principal payments on SRF loans. This is not, however, the approach I would have preferred to take. I am concerned that if we open the door, before we are done, the 20 percent limitation will be swept away and we will find that we are not capitalizing revolving funds but making pass through grants to bring down sewer rates in every town in America.

The approach I prefer is slightly different. Rather than allowing States to use Federal dollars for principal subsidies, it would be better to allow States to create grant programs for disadvantaged communities, if they believe them to be needed, out of their own appropriations. If a State chose to make grants we would count their grants toward their matching requirement for the Federal SRF grant, but they could not use the Federal dollars directly for subsidies. I firmly believe this approach would better protect the revolving funds. There would not be the clear temptation to continually increase the portion of the Federal capitalization dollars that could be used for grants rather than loans to local communities.

This approach was not used in the bill because some States do not appropriate funds to provide their matching money. They issue bonds instead and deposit proceeds from the bonds in the revolving fund. The money is loaned out and when repaid it is used to pay off the bond. The State money is not available in perpetuity when a State match is provided in this way.

The States who use this financing approach could not make grants or principal subsidies with their funds because they only borrow the money from bond holders and must pay it back. Apparently, more than a dozen States are using this financing system and would have to change over to appropriated amounts before their dollars could be used to help disadvantaged communities. I believe that States should finance their match with appropriations and they, not the Congress, should have the responsibility for designing assistance to disadvantaged communities. I will continue to urge that approach during the debate on this bill.

I would rather continue without any assistance to disadvantaged communities, then put the revolving fund at risk. This is a most important issue to me.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. BIDEN, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 11, a bill to combat violence and crimes against women on the streets and in homes.

S. 70

At the request of Mr. COCHRAN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 70, a bill to reauthorize the National Writing Project, and for other purposes.

S. 235

At the request of Mr. REID, the names of the Senator from Idaho [Mr. KEMPTHORNE] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 235, a bill to limit State taxation of certain pension income, and for other purposes.

S. 236

At the request of Mr. MCCAIN, the name of the Senator from Oregon [Mr. PACKWOOD] was withdrawn as a cosponsor of S. 236, a bill to increase Federal payments to units of general local government for entitlement lands, and for other purposes.

S. 253

At the request of Mr. CRAIG, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 253, a bill to authorize the garnishment of Federal employees' pay, and for other purposes.

S. 266

At the request of Mr. SIMON, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 266, a bill to provide for elementary and secondary school library media resources, technology enhancement, training and improvement.

S. 289

At the request of Mr. REID, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 289, a bill to amend section 118 of the Internal Revenue Code of 1986 to provide for certain exceptions from rules for determining contributions in aid of construction, and for other purposes.

S. 340

At the request of Mr. HEFLIN, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Maine [Mr. MITCHELL], the Senator from Wyoming [Mr. WALLOP], and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 340, a bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the application of the Act with respect to alternate uses of new animal drugs and new drugs intended for human use, and for other purposes.

S. 342

At the request of Mr. BOREN, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to encourage investment in real estate and for other purposes.

S. 348

At the request of Mr. RIEGLE, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 348, a bill to amend the Internal Revenue Code of 1986 to permanently extend qualified mortgage bonds.

S. 427

At the request of Mr. MITCHELL, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 427, a bill to amend the Internal Revenue Code of 1986 to permit private foundations to use common investment funds.

S. 483

At the request of Mr. SHELBY, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from Nevada [Mr. BRYAN], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 483, a bill to provide for the minting of coins in commemoration of Americans who have been prisoners of war, and for other purposes.

S. 487

At the request of Mr. MITCHELL, the names of the Senator from North Carolina [Mr. HELMS] and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 487, a bill to amend the Internal Revenue Code of 1986 to permanently extend and modify the low-income housing tax credit.

S. 505

At the request of Mr. MCCONNELL, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 505, a bill to amend the Food Stamp Act of 1977 to identify and curtail fraud in the food stamp program, and for other purposes.

S. 545

At the request of Mr. DOLE, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 545, a bill to amend the Internal Revenue Code of 1986 to allow farmers' cooperatives to elect to include gains or losses from certain dispositions in the determination of net earnings, and for other purposes.

S. 573

At the request of Mr. BREAUX, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 573, a bill to amend the Internal Revenue Code of 1986 to provide for a credit for the portion of employer social security taxes paid with respect to employee cash tips.

S. 599

At the request of Mr. GRASSLEY, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 599, a bill to amend the Internal Revenue Code of 1986 to provide a permanent extension for the issuance of first-time farmer bonds.

S. 613

At the request of Mr. HARKIN, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 613, a bill to prohibit the importation of goods produced abroad with child labor, and for other purposes.

S. 667

At the request of Mr. PRESSLER, his name was added as a cosponsor of S. 667, a bill to amend the Immigration and Nationality Act to improve procedures for the exclusion of aliens seeking to enter the United States by fraud.

S. 674

At the request of Mr. SIMPSON, his name was withdrawn as a cosponsor of S. 674, a bill to require health warnings to be included in alcoholic beverage advertisements, and for other purposes.

S. 676

At the request of Mr. WOFFORD, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor 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. 687

At the request of Mr. ROCKEFELLER, the names of the Senator from Kentucky [Mr. MCCONNELL], the Senator from Indiana [Mr. LUGAR], the Senator from Vermont [Mr. JEFFORDS], the Senator from North Carolina [Mr. FAIRCLOTH], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 687, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 689

At the request of Mr. BRADLEY, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 689, a bill to improve the interstate enforcement of child support and parentage court orders, and for other purposes.

S. 721

At the request of Mr. JOHNSTON, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 721, a bill to amend the Land and Water Conservation Fund Act of 1965, and for other purposes.

S. 757

At the request of Mr. ROCKEFELLER, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 757, a bill to correct the

tariff rate inversion on certain iron and steel pipe and tube products.

S. 764

At the request of Mr. WOFFORD, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 764, a bill to exclude service of election officials and election workers from the Social Security payroll tax.

S. 867

At the request of Mr. COHEN, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 867, a bill to amend title XI of the Social Security Act to extend the penalties for fraud and abuse assessed against providers under the medicare program and State health care programs to providers under all health care plans, and for other purposes.

S. 895

At the request of Mr. PRYOR, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 895, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of the rehabilitation credit under the passive activity limitation and the alternative minimum tax.

S. 917

At the request of Mr. BOND, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 917, a bill to provide surveillance, research, and services aimed at prevention of birth defects.

S. 985

At the request of Mr. INOUYE, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 985, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act with respect to minor uses of pesticides, and for other purposes.

S. 996

At the request of Mr. METZENBAUM, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 996, a bill to require that educational organizations that offer educational programs to minors for a fee disclose certain information.

S. 1005

At the request of Ms. MOSELEY-BRAUN, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of S. 1005, a bill to amend section 520 of the Cranston-Gonzalez National Affordable Housing Act to authorize the Secretary of Housing and Urban Development to make grants to establish midnight basketball league training and partnership programs incorporating employment counseling, job-training, and other educational activities for residents of public housing and federally assisted housing and other low-income families.

S. 1037

At the request of Mrs. MURRAY, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Illinois [Mr. SIMON], the Senator from Michigan [Mr. LEVIN], the Senator from Colorado [Mr. CAMPBELL], the Senator from Hawaii [Mr. AKAKA], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 1037, a bill to amend the Civil Rights Act of 1991 with respect to the application of such Act.

S. 1041

At the request of Mr. GREGG, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1041, a bill to amend the Public Health Service Act to promote the immunization of children, and for other purposes.

S. 1094

At the request of Mr. DASCHLE, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1094, a bill to amend section 1710 of title 38, United States Code, to extend the period of eligibility of certain veterans for medical care for exposure to dioxin or ionizing radiation.

SENATE JOINT RESOLUTION 50

At the request of Mr. SPECTER, the names of the Senator from Connecticut [Mr. DODD], the Senator from Maine [Mr. COHEN], the Senator from Vermont [Mr. JEFFORDS], the Senator from Illinois [Ms. MOSELEY-BRAUN], and the Senator from Florida [Mr. MACK] were added as cosponsors of Senate Joint Resolution 50, a joint resolution to designate the weeks of September 19, 1993, through September 25, 1993, and of September 18, 1994, through September 24, 1994, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 79

At the request of Mr. LAUTENBERG, the names of the Senator from Illinois [Ms. MOSELEY-BRAUN], the Senator from Colorado [Mr. CAMPBELL], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of Senate Joint Resolution 79, a joint resolution to designate June 19, 1993, as "National Baseball Day."

SENATE JOINT RESOLUTION 91

At the request of Mr. SPECTER, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of Senate Joint Resolution 91, a joint resolution designating October 1993 and October 1994 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 94

At the request of Mr. DOLE, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Iowa [Mr. GRASSLEY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Carolina [Mr. FAIRCLOTH], and the Senator from Montana [Mr. BURNS] were added as cosponsors of Senate Joint Resolution 94, a joint resolution to designate the week of October 3, 1993, through October 9, 1993, as "National Customer Service Week."

SENATE JOINT RESOLUTION 98

At the request of Mr. MITCHELL, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 98, a joint resolution to designate the week beginning October 25, 1993, as "National Child Safety Awareness Week."

SENATE JOINT RESOLUTION 99

At the request of Mr. DECONCINI, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Maryland [Ms. MIKULSKI], the Senator from Hawaii [Mr. AKAKA], the Senator from Wisconsin [Mr. KOHL], the Senator from Iowa [Mr. GRASSLEY], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 99, a joint resolution designating September 9, 1993, and April 21, 1994, each as "National D.A.R.E. Day."

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. DECONCINI, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Concurrent Resolution 24, a concurrent resolution concerning the removal of Russian troops from the independent Baltic States of Estonia, Latvia, and Lithuania.

SENATE CONCURRENT RESOLUTION 28

At the request of Mr. RIEGLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Concurrent Resolution 28, a concurrent resolution expressing the sense of the Congress regarding the Taif Agreement and urging Syrian withdrawal from Lebanon, and for other purposes.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. MATHEWS, the names of the Senator from Wyoming [Mr. WALLOP], the Senator from Illinois [Mr. SIMON], the Senator from Delaware [Mr. ROTH], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of Senate Concurrent Resolution 29, a concurrent resolution relating to the Asia Pacific Economic Cooperation organization.

SENATE RESOLUTION 35

At the request of Mr. LAUTENBERG, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of Senate Resolution 35, a resolution expressing the sense of the Senate concerning systematic rape in the conflict in the former Socialist Federal Republic of Yugoslavia.

SENATE RESOLUTION 117—RELATIVE TO THE OLYMPICS IN THE YEAR 2000

Mr. DECONCINI (for himself and Mr. BRADLEY) submitted the following resolution; which was referred to the Committee on Commerce, Science and Transportation:

S. RES. 117

Whereas the International Olympic Committee is now in the process of determining

the venue of the Olympic Games in the year 2000;

Whereas the governments of the city of Beijing and of the People's Republic of China have made a proposal to the International Olympic Committee that the Summer Olympic Games in the year 2000 be held in Beijing;

Whereas the State Department's Country Reports on Human Rights Practices for 1992 specifies that the Chinese "government's human rights practices have remained repressive, falling far short of internationally accepted norms", "torture and degrading treatment of detained and imprisoned persons persisted", "conditions in all types of Chinese penal institutions are harsh and frequently degrading", and the Chinese "government still has not satisfactorily accounted for the thousands of persons throughout the country who were arrested or held in 'detention during the investigation' or 'administrative detention' status for activities related to the 1989 prodemocracy demonstrations";

Whereas the Government of China has failed to respect civil liberties and, according to the State Department's Country Reports on Human Rights Practices for 1992, "freedom of speech and self-expression remain severely restricted";

Whereas the Government of China has engaged in massive transfers of population in order to marginalize the Tibetans inside Tibet and has engaged in systematic suppression of the Tibetan people, their culture, and religion;

Whereas the Government of China has imposed tighter control over religious practice and engaged in greater repression of religion;

Whereas the Government of China does not permit the establishment of independent Chinese organizations that publicly monitor or comment on human rights conditions in China, and Chinese authorities have refused requests by international human rights delegations to meet with political prisoners and former detainees and have expelled foreign visitors who have indicated an interest in monitoring human rights conditions;

Whereas the Government of China has engaged in ongoing pervasive human rights abuses of women and children, including the use of forced abortion and involuntary sterilizations as part of China's one child per couple policy;

Whereas workers in China are denied the right to organize independent trade unions and to bargain collectively, and products manufactured by forced labor have been exported to the United States;

Whereas in the spring of 1989, then mayor of Beijing, Chen Xitong, called for a crackdown on the prodemocracy demonstrators in Tiananmen Square, and on May 20, 1989, signed a martial law decree authorizing the entry of troops into the city;

Whereas Chen Xitong is currently chairman of the Beijing 2000 Olympic Bid Committee, and Mr. Chen has assured the International Olympic Committee in China's formal application that "neither now, or in the future, will there emerge in Beijing organizations opposing Beijing's bid" to host the Olympics, thus boasting of the Chinese regime's determination to crush dissent; and

Whereas holding the Olympic games in countries, such as the People's Republic of China, which engage in massive violations of human rights serves to shift the focus from the high ideals behind the Olympic tradition and is counterproductive for the Olympic movement: Now, therefore, be it

Resolved, That the Senate—

(1) strongly opposes the holding of the Olympic Summer Games in the year 2000 in the city of Beijing or elsewhere in the People's Republic of China and urges the International Olympic Committee to find another, more suitable venue for the Games;

(2) urges the United States representative to the International Olympic Committee to vote against holding the Olympic Summer Games in the year 2000 in the city of Beijing or elsewhere in the People's Republic of China; and

(3) directs the clerk of the Senate to transmit a copy of this resolution to the Chairman of the International Olympic Committee and to the United States representative to the International Olympic Committee with the request that it be circulated to all members of the Committee.

Mr. DECONCINI. Mr. President, I am pleased today to submit—on behalf of myself and my distinguished colleague from New Jersey, Senator BRADLEY—a sense-of-the-Senate resolution urging that the Olympics in the year 2000 should not be held in Beijing or elsewhere in the People's Republic of China.

I am dismayed to learn that the International Olympic Committee is seriously considering China's bid to host the Olympics in the year 2000—a decision which will be made in the very near future. Rewarding China with the Olympic games would be the worst possible way to greet the beginning of the Third Millennium. The human rights record of the Chinese Communist dictatorship remains abysmal. We in the Congress have an opportunity and an obligation to send a message to China's despotic leadership that the United States will no longer ignore its gross misconduct, and that we are unanimous in our opposition to rewarding China the Olympic good seal when its treatment of its citizens deserves anything but international approval.

The Olympic games are intended to celebrate the brotherhood of man by providing an apolitical forum in which our young athletes can compete in a spirit of international camaraderie. The civilized world recognizes the universality of human rights, which forms the basis of this spirit of international camaraderie.

China, however, has rejected the universality of human rights, seeking to shield its lack of accountability to its own people behind claims that the human rights it is protecting are the rights to food, clothing, shelter, and political stability. This last so-called right provides a blank check for China's gerontocracy to commit all sorts of loathsome acts against its own population. The Chinese leaders would claim that crushing peaceful, pro-democracy protesters under tank treads in Tiananmen Square provides political stability for its people. I do not buy this argument any more than I would agree that forced abortions and involuntary sterilization ensure that the Chinese people in the long run will have food, clothing, and shelter.

Granting China the right to host the Olympic games would be an international travesty. It would signal our acceptance of the legitimacy of the tyrannical policies of China's leaders. In this resolution, we call on the International Olympic Committee and the United States Representative to the committee to flatly reject China's bid to host the games. To do otherwise would violate the sense of international morality which should be the hallmark of the Olympic games.

I urge my colleagues to join us in sending this message to China and the IOC by cosponsoring this resolution.

AMENDMENTS SUBMITTED

CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1993

DORGAN AMENDMENT NO. 450

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him 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 136, line 24 of amendment No. 360, before the end period insert: "and by repealing the tax exemption under section 527 of the Internal Revenue Code of 1986 for the exempt function income of the campaign committees of a candidate who exceeds the voluntary Federal campaign spending limits (whether or not the candidate agreed to the limits)".

EXON AMENDMENTS NOS. 451–453

(Ordered to lie on the table.)

Mr. EXON submitted three amendments intended to be proposed by him to amendment No. 366 (in the nature of a substitute) to the bill, S. 3, supra, as follows:

AMENDMENT NO. 451

On page 7, line 7, strike "by—" and all that follows through "(II)" on line 10 and insert "by".

On page 17, add "and" at the end of line 16.

On page 17, strike lines 17 through 21 and insert the following:

"(3) payments from the Senate Election Campaign fund in an amount equal to—

"(A) the excess expenditure amount determined under subsection (b); and

"(B) the independent expenditure amount determined under subsection (c).

On page 17, line 23, strike "(a)(3)" and insert "(a)(2)(A)".

On page 19, strike line 10 and all that follows through page 21, line 6, and insert the following:

"(c) INDEPENDENT EXPENDITURE AMOUNT.—For purposes of subsection (a)(2)(B), the amount determined under this subsection 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).

On page 24, lines 8 through 10, strike "or to receive voter communication vouchers and the amount of such payments or vouchers" and insert "and the amount of such payments".

On page 26, line 5, strike "or vouchers".

On page 26, line 14, strike "and vouchers".

On page 32, line 7, strike "or vouchers".

On page 32, strike line 23 and all that follows through page 33, line 4, and insert the following:

"(A) Amounts received in the Treasury that are equivalent to the increase in Federal revenues by reason of the imposition of income tax on political committees of candidates who do not abide by the Federal campaign spending limits.

On page 33, line 25, strike "subsection (d)" and insert "subsection (c)".

On page 34, strike lines 4 through 9.

On page 34, line 10, strike "(d)" and insert "(c)".

On page 34, lines 12 and 13, strike ", or issuance of a voucher,".

On page 34, line 21, strike "and vouchers".

On page 35, line 21, strike "(including vouchers)".

On page 136, strike lines 19 through 24 and insert the following:

"(b) FUNDING.—Legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal programs, or increase the Federal budget deficit, but shall provide that the legislation be funded by imposing a Federal income tax at the top corporate rate on political committees of candidates who do not abide by the Federal campaign spending limits."

AMENDMENT NO. 452

On page 1, line 2, strike out all after the word "section" and insert the following:

1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1993".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

Sec. 101. Senate spending limits and benefits.
Sec. 102. Ban on activities of political action committees in Federal elections.
Sec. 103. Reporting requirements.
Sec. 104. Disclosure by noneligible candidates.
Sec. 105. Excess campaign funds of Senate candidates.

Subtitle B—General Provisions

Sec. 131. Broadcast rates and preemption.
Sec. 132. Extension of reduced third-class mailing rates to eligible Senate candidates.
Sec. 133. Reporting requirements for certain independent expenditures.
Sec. 134. Campaign advertising amendments.
Sec. 135. Definitions.
Sec. 136. Provisions relating to franked mass mailings.

TITLE II—INDEPENDENT EXPENDITURES

Sec. 201. Clarification of definitions relating to independent expenditures.
Sec. 202. Equal broadcast time.

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

Sec. 301. Personal contributions and loans.
Sec. 302. Extensions of credit.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Sec. 311. Definitions.
Sec. 312. Contributions to political party committees.
Sec. 313. Provisions relating to national, State, and local party committees.
Sec. 314. Restrictions on fundraising by candidates and officeholders.
Sec. 315. Reporting requirements.

TITLE IV—CONTRIBUTIONS

Sec. 401. Contributions through intermediaries and conduits; prohibition on certain contributions by lobbyists.
Sec. 402. Contributions by dependents not of voting age.
Sec. 403. Contributions to candidates from State and local committees of political parties to be aggregated.
Sec. 404. Contributions and expenditures using money secured by physical force or other intimidation.
Sec. 405. Prohibition of acceptance by a candidate of cash contributions from any one person aggregating more than $100.

TITLE V—REPORTING REQUIREMENTS

Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
Sec. 502. Personal and consulting services.
Sec. 503. Computerized indices of contributions.
Sec. 504. Filing of reports using computers and facsimile machines.
Sec. 505. Political committees.

TITLE VI—FEDERAL ELECTION COMMISSION

Sec. 601. Use of candidates' names.
Sec. 602. Reporting requirements.
Sec. 603. Provisions relating to the general counsel of the Commission.
Sec. 604. Enforcement.
Sec. 605. Penalties.
Sec. 606. Audits.
Sec. 607. Prohibition of false representation to solicit contributions.
Sec. 608. Regulations relating to use of non-Federal money.
Sec. 609. Simultaneous registration of candidate and candidate's principal campaign committee.
Sec. 610. Reimbursement fund.
Sec. 611. Insolvent political committees.

TITLE VII—MISCELLANEOUS

Sec. 701. Prohibition of leadership committees.
Sec. 702. Polling data contributed to candidates.
Sec. 703. Debates by general election candidates who receive amounts from the Presidential Election Campaign Fund.
Sec. 704. Telephone voting by persons with disabilities.
Sec. 705. Provisions relating to Presidential primary elections.
Sec. 706. Certain tax-exempt organizations not subject to corporate limits.
Sec. 707. Aiding and abetting violations of FECA.
Sec. 708. Deposit of repayments of excess payments from the Presidential Election Campaign Fund.
Sec. 709. Disqualification from receiving public funding for Presidential election campaigns.
Sec. 710. Prohibition of contributions to Presidential candidates who receive public funding in the general election campaign.

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

Sec. 801. Effective date.
Sec. 802. Budget neutrality.
Sec. 803. Severability.
Sec. 804. Expedited review of constitutional issues.
Sec. 805. Regulations.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SEC. 101. SENATE SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) PRIMARY FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration that—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b);

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

"(D) the candidate and the candidate's authorized committees will meet the closed captioning requirements of section 509.

"(2) The declaration under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

"(c) GENERAL ELECTION FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate certifies to the Secretary of the Senate, under penalty of perjury, that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

"(B) the candidate met the threshold contribution requirement under subsection (e),

and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 502(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b) and the amounts described in subsections (c), (d), and (e) of section 502, reduced by any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission;

"(vi) will cooperate in the case of any audit and examination by the Commission under section 505 and will pay any amounts required to be paid under that section; and

"(vii) will meet the closed captioning requirements of section 509; and

"(E) the candidate intends to make use of the benefits provided under section 503.

"(2) The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 502(b); or

"(ii) $2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate or to the Commission with respect to such period under section 304.

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

"(A) 10 percent of the general election expenditure limit under section 502(b); or

"(B) $250,000.

"(2) For purposes of this section and subsections (b) and (c) of section 503—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 503(b).

"(3) For purposes of this subsection and subsections (b) and (c) of section 503, the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of subsections (b) and (c) of section 503, the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) INDEXING.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for purposes of subsection (d)(1) and section 502(b)(3), the base period shall be calendar year 1996.

"SEC. 502. LIMITATIONS ON EXPENDITURES.

"(a) LIMITATION ON USE OF PERSONAL FUNDS.—(1) The aggregate amount of expenditures which may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

"(A) 10 percent of the general election expenditure limit under subsection (b); or

"(B) $250,000.

"(2) A source is described in this paragraph if it is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) GENERAL ELECTION EXPENDITURE LIMIT.—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $1,200,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible Senate candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(f) (relating to indexing).

"(c) LEGAL AND ACCOUNTING COMPLIANCE FUND.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a legal and accounting compliance fund meeting the requirements of paragraph (2).

"(2) A legal and accounting compliance fund meets the requirements of this paragraph if—

"(A) the fund is established with respect to qualified legal and accounting expenditures incurred with respect to a particular general election;

"(B) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(C) the aggregate amounts transferred to, and expenditures made from, the fund with respect to the election cycle do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(D) no funds received by the candidate pursuant to section 503(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection, the term 'qualified legal and accounting expenditures' means the following:

"(A) Any expenditures for costs of legal and accounting services provided in connection with—

"(i) any administrative or court proceeding initiated pursuant to this Act for the general election for which the legal and accounting fund was established; or

"(ii) the preparation of any documents or reports required by this Act or the Commission.

"(B) Any expenditures for legal and accounting services provided in connection with the general election for which the legal and accounting compliance fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures will exceed the limitation under paragraph (2)(C)(i), the candidate may petition the Commission by filing with the Secretary of the Senate a request for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation. Such determination shall be subject to judicial review under section 506.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5) Any funds in a legal and accounting compliance fund shall be treated for purposes of this Act as a separate segregated fund, except that any portion of the fund not used to pay qualified legal and accounting expenditures, and not transferred to a legal and accounting compliance fund for the election cycle for the next general election, shall be treated in the same manner as other campaign funds for purposes of section 313(b).

"(d) PAYMENT OF TAXES ON EARNINGS.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local income taxes on the earnings of a candidate's authorized committees.

"(e) CERTAIN EXPENSES.—In the case of an eligible Senate candidate who holds a Federal office, the limitation under subsection (b) shall not apply to ordinary and necessary expenses of travel of such individual and the individual's spouse and children between Washington, D.C. and the individual's State in connection with the individual's activities as a holder of Federal office.

"(f) EXPENDITURES.—For purposes of this title, the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or a candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) thereof.

"SEC. 503. BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE.

"(a) IN GENERAL.—An eligible Senate candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3626(e) of title 39, United States Code; and

"(3) payments from the Senate Election Campaign Fund in an amount equal to—

"(A) the excess expenditure amount determined under subsection (b); and

"(B) the independent expenditure amount determined under subsection (c).

"(b) EXCESS EXPENDITURE AMOUNT.—(1) For purposes of subsection (a)(2)(A), except as provided in section 510(d), the amount determined under this subsection is, 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 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) is less than 133⅓ 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 133⅓ 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 least of the following:

"(i) The allowable contributions of the eligible Senate candidate during the applicable period in excess of the threshold contribution requirement under section 501(e).

"(ii) 50 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(iii) The excess described in paragraph (1).

"(c) Independent Expenditure Amount.—For purposes of subsection (a)(2)(B), the amount determined under this subsection 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).

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1)(A) An eligible Senate candidate who receives payments under subsection (a)(3) 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 and the amount of such payments 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 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 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) 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 that are equivalent to the increase in Federal revenues by reason of the imposition of income tax on political committees of candidates who do not abide by the Federal campaign spending limits.

"(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 (c), the Secretary shall, subject to the availability of appropriations, promptly pay the amount certified by the Commission to the candidate out of the Fund.

"(d) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—(1) If, at the time of a certification by the Commission under section 504 for payment 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 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 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. 102. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.), as amended by section 404, is amended by adding at the end thereof the following new section:

"BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES

"SEC. 327. (a) Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make contributions, solicit or receive contributions, or make expenditures for the purpose of influencing an election for Federal office.

"(b) In the case of individuals who are executive or administrative personnel of an employer—

"(1) no contributions may be made by such individuals—

"(A) to any political committees established and maintained by any political party; or

"(B) to any candidate for election to the office of United States Senator or the candidate's authorized committees,

unless such contributions are not being made at the direction of, or otherwise controlled or influenced by, the employer; and

"(2) the aggregate amount of such contributions by all such individuals in any calendar year shall not exceed—

"(A) $20,000 in the case of such political committees; and

"(B) $5,000 in the case of any such candidate and the candidate's authorized committees.".

(b) DEFINITION OF POLITICAL COMMITTEE.—(1) Paragraph (4) of section 301 of FECA (2 U.S.C. 431(4)) is amended to read as follows:

"(4) The term 'political committee' means—

"(A) the principal campaign committee of a candidate;

"(B) any national, State, or district committee of a political party, including any subordinate committee thereof; and

"(C) any local committee of a political party which—

"(i) receives contributions aggregating in excess of $5,000 during a calendar year;

"(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of $5,000 during a calendar year; or

"(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year.".

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended by striking subparagraph (C).

(c) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end thereof the following new paragraph:

"(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee which is established or financed or maintained or controlled by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.".

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.".

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—For purposes of the Federal Election Campaign Act of 1971, during any period beginning after the effective date in which the limitation under section 327 of such Act (as added by subsection (a)) is not in effect—

(1) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(2) in the case of a candidate for election, or nomination for election, to the office of President or Vice President or to the United States Senate (and such candidate's authorized committees), section 315(a)(2)(A) of FECA (2 U.S.C. 441a(a)(2)(A)) shall be applied by substituting "$1,000" for "$5,000";

(3) it shall be unlawful for a multicandidate political committee to make a contribution to a candidate for election, or nomination for election, to the United States Senate (or an authorized committee) to the extent that the making or accepting of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed the lesser of—

(A) $825,000; or

(B) 20 percent of the sum of the general election spending limit under section 502(b) of FECA plus the primary election spending limit under section 501(d)(1)(A) of FECA (without regard to whether the candidate is an eligible Senate candidate, as defined in section 301(19) of FECA).

In the case of an election cycle in which there is a runoff election, the limit determined under paragraph (3) shall be increased by an amount equal to 20 percent of the runoff election expenditure limit under section 501(d)(1)(A) of FECA (without regard to whether the candidate is such an eligible candidate). The $825,000 amount in paragraph (3) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c) of FECA, except that for purposes of paragraph (3), the base period shall be the calendar year 1996. A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (3) shall return the amount of such excess contribution to the contributor.

(e) RULE ENSURING PROHIBITION ON DIRECT CORPORATE AND LABOR SPENDING.—If section 316(a) of the Federal Election Campaign Act of 1971 is held to be invalid by reason of the amendments made by this section, then the amendments made by this section shall not

apply to contributions by any political committee that is directly or indirectly established, administered, or supported by a connected organization which is a bank, corporation, or other organization described in such section 316(a).

(f) RESTRICTIONS ON CONTRIBUTIONS TO POLITICAL COMMITTEES.—Paragraphs (1)(D) and (2)(D) of section 315(a) of FECA (2 U.S.C. 441a(a) (1)(D) and (2)(D)), as redesignated by section 312, are each amended by striking "$5,000" and inserting "$1,000".

(g) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1994.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received before January 1, 1994; or

(B) contributions made to, or received by, a candidate on or after January 1, 1994, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate before January 1, 1994, over

(ii) such contributions received by the candidate before January 1, 1994.

SEC. 103. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE SENATE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 501(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b). Such declaration shall be filed at the time provided in section 501(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible Senate candidate under section 501; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 75 percent of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b),

shall file a report with the Secretary of the Senate within 2 business days after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 2 business days after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 200 percent of such limit) with the Secretary of the Senate within 2 business days after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 100, 133⅓, 166⅔, and 200 percent of such limit.

"(3) The Commission—

"(A) shall, within 2 business days of receipt of a declaration or report under paragraph (1) or (2), notify each eligible Senate candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 502(b), shall certify, pursuant to the provisions of subsection (d), such eligibility for payment of any amount to which such eligible Senate candidate is entitled under section 503(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible Senate candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 2 business days after making each such determination, notify each eligible Senate candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 502(b), certify (pursuant to the provisions of subsection (d)) such candidate's eligibility for payment of any amount under section 503(a).

"(b) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than the limitation under section 502(a) during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 2 business days after such expenditures have been made or loans incurred.

"(2) The Commission within 2 business days after a report has been filed under paragraph (1) shall notify each eligible Senate candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 2 business days after making such determination shall notify each eligible Senate candidate in the general election involved about each such determination.

"(c) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate for the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(4) The Commission shall certify to the individual and such individual's opponents the amounts the Commission determines to be described in paragraph (3) and such amounts shall be treated as expenditures for purposes of this Act.

"(d) CERTIFICATIONS.—Notwithstanding section 504(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of the Commission's own investigation or determination.

"(e) SHORTER PERIODS FOR REPORTS AND NOTICES DURING ELECTION WEEK.—Any report, determination, or notice required by reason of an event occurring during the 7-day period ending with the general election shall be made within 24 hours (rather than 2 business days) of the event.

"(f) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or under title V as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

"(g) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V.".

SEC. 104. DISCLOSURE BY NONELIGIBLE CANDIDATES.

Section 318 of FECA (2 U.S.C. 441d), as amended by section 134, is amended by adding at the end thereof the following:

"(f) If a broadcast, cablecast, or other communication is paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible Senate candidate, or the authorized committee of such candidate, such communication shall contain the following sentence: 'This candidate has not agreed to voluntary campaign spending limits.'.".

SEC. 105. EXCESS CAMPAIGN FUNDS OF SENATE CANDIDATES.

Section 313 of FECA (2 U.S.C. 439a) is amended—

(1) by inserting "(a) IN GENERAL.—" before "Amounts"; and

(2) by adding at the end the following new subsection:

"(b) RETURN OF EXCESS CAMPAIGN FUNDS.—(1) Except as provided in paragraph (2), and notwithstanding subsection (a), if a candidate for the Senate has amounts in excess of amounts necessary to defray campaign expenditures for any election cycle, including any fines or penalties relating thereto, such candidate shall, not later than 1 year after the date of the general election for such cycle, expend such excess in the manner described in subsection (a) or transfer it to the Senate Election Campaign Fund established under section 510.

"(2) Paragraph (1) shall not apply to any amounts—

"(A) transferred to a legal and accounting compliance fund established under section 502(c); or

"(B) transferred for use in the next election cycle to the extent such amounts do not exceed 20 percent of the sum of the primary

election expenditure limit under section 501(d)(1)(A) and the general election expenditure limit under section 502(b) for the election cycle from which the amounts are being transferred.".

Subtitle B—General Provisions

SEC. 131. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) in paragraph (1)—

(A) by striking "forty-five" and inserting "30"; and

(B) by striking "lowest unit charge of the station for the same class and amount of time for the same period" and inserting "lowest charge of the station for the same amount of time for the same period on the same date"; and

(2) by adding at the end the following new sentence:

"In the case of an eligible Senate candidate (as defined in section 301(19) of the Federal Election Campaign Act of 1971), the charges for the use of a television broadcasting station during the 60-day period referred to in paragraph (1) shall not exceed 50 percent of the lowest charge described in paragraph (1), except that this sentence shall not apply to broadcasts which are to be paid by vouchers which are received under section 503(c)(4) by reason of the independent expenditure amount.".

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1), of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to the provisions of subsection (b)(1).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.".

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of such Act (47 U.S.C. 312(a)(7)) is amended—

(1) by striking "or repeated";

(2) by inserting "or cable system" after "broadcasting station"; and

(3) by striking "his candidacy" and inserting "his or her candidacy, under the same terms, conditions, and business practices as apply to its most favored advertiser".

SEC. 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE SENATE CANDIDATES.

Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking "and the National" and inserting "the National"; and

(B) by striking "Committee;" and inserting "Committee, and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;";

(2) in paragraph (2)(B), by striking "and" after the semicolon;

(3) in paragraph (2)(C), by striking the period and inserting "; and";

(4) by adding after paragraph (2)(C) the following new subparagraph:

"(D) the terms 'eligible Senate candidate' and 'principal campaign committee' have the meanings given those terms in section 301 of the Federal Election Campaign Act of 1971."; and

(5) by adding after paragraph (2) the following new paragraph:

"(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to—

"(A) the general election period (as defined in section 301 of the Federal Election Campaign Act of 1971); and

"(B) that number of pieces of mail equal to the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the State.".

SEC. 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—(1) Any person making independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before any election shall file a report of such expenditures within 24 hours after such expenditures are made.

"(2) Any person making independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before any election shall file a report within 48 hours after such expenditures are made. An additional statement shall be filed each time independent expenditures aggregating $10,000 are made with respect to the same election as the initial statement filed under this section.

"(3) Any statement under this subsection shall be filed with the Secretary of the Senate or the Commission, and the Secretary of State of the State involved, as appropriate, and shall contain the information required by subsection (b)(6)(B)(iii) of this section, including whether the independent expenditure is in support of, or in opposition to, the candidate involved. The Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

"(4) For purposes of this subsection, an expenditure shall be treated as made when it is made or obligated to be made.

"(5)(A) If any person intends to make independent expenditures totaling $5,000 or more during the 20 days before an election, such person shall file a statement no later than the 20th day before the election.

"(B) Any statement under subparagraph (A) shall be filed with the Secretary of the Senate or the Commission, and the Secretary of State of the State involved, as appropriate, and shall identify each candidate whom the expenditure will support or oppose. The Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a statement under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

"(6) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any Federal election which in the aggregate exceed the applicable amounts under paragraph (1) or (2). The Commission shall notify each candidate in such election of such determination within 24 hours of making it.

"(7) At the same time as a candidate is notified under paragraph (3), (5), or (6) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 503(a).

"(8) The Secretary of the Senate shall make any statement received under this subsection available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such statements in the same manner as the Commission under section 311(a)(5).".

(b) CONFORMING AMENDMENT.—Section 304(c)(2) of FECA (2 U.S.C. 434(c)(2)) is amended by striking the undesignated matter after subparagraph (C).

SEC. 134. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(2) in the matter before paragraph (1) of subsection (a), by striking "an expenditure" and inserting "a disbursement";

(3) in the matter before paragraph (1) of subsection (a), by striking "direct";

(4) in paragraph (3) of subsection (a), by inserting after "name" the following "and permanent street address"; and

(5) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

"(A) states: 'I, (name of the candidate), am a candidate for (the office the candidate is seeking) and I have approved this message';

"(B) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(C) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement—

'_____ is responsible for the content of this advertisement.'

with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor;

and, if broadcast or cablecast by means of television, shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

SEC. 135. DEFINITIONS.

(a) IN GENERAL.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

"(19) The term 'eligible Senate candidate' means a candidate who is certified under section 504 as eligible to receive benefits under title V.

"(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office. Such term includes a primary election which may result in the election of a person to a Federal office.

"(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(22) The term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B).

"(23) The term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of title V.

"(24) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

"(25) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

"(26) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

"(27) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

"(28) The term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"(29) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.".

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent residence address".

SEC. 136. PROVISIONS RELATING TO FRANKED MASS MAILINGS.

Section 3210(a)(6)(C) of title 39, United States Code, is amended—

(1) by striking "if such mass mailing is postmarked fewer than 60 days immediately before the date" and inserting "if such mass mailing is postmarked during the calendar year"; and

(2) by inserting "or reelection" immediately before the period.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure for an advertisement or other communication that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by a political committee of a political party.

"(ii) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

"(iii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iv) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(v) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

"(vi) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office.

"(vii) An expenditure if the person making the expenditure has consulted at any time during the calendar year in which the election is to be held about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person, and the term 'professional services shall include any services (other than legal and accounting services for purposes of ensuring compliance with this Act) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

"(18) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.".

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that does not qualify as an independent expenditure under paragraph (17)(A)(ii).".

SEC. 202. EQUAL BROADCAST TIME.

Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended to read as follows:

"(a)(1) If a licensee permits any person who is a legally qualified candidate for public office to use a broadcasting station other than any use required to be provided under paragraph (2), the licensee shall afford equal opportunities to all other such candidates for that office in the use of the broadcasting station.

"(2)(A) A person who reserves broadcast time the payment for which would constitute an independent expenditure within the meaning of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) shall—

"(i) inform the licensee that payment for the broadcast time will constitute an independent expenditure;

"(ii) inform the licensee of the names of all candidates for the office to which the proposed broadcast relates and state whether the message to be broadcast is intended to be made in support of or in opposition to each such candidate; and

"(iii) provide the licensee a copy of the statement described in section 304(d) of the

Federal Election Campaign Act of 1971 (2 U.S.C. 434(d)).

"(B) A licensee who is informed as described in subparagraph (A) shall—

"(i) if any of the candidates described in subparagraph (A)(ii) has provided the licensee the name and address of a person to whom notification under this subparagraph is to be given—

"(I) notify such person of the proposed making of the independent expenditure; and

"(II) allow any such candidate (other than a candidate for whose benefit the independent expenditure is made) to purchase the same amount of broadcast time immediately after the broadcast time paid for by the independent expenditure; and

"(ii) in the case of an opponent of a candidate for whose benefit the independent expenditure is made who certifies to the licensee that the opponent is eligible to have the cost of response broadcast time paid out of communication vouchers issued under section 503(a)(4) of the Federal Election Campaign Act of 1971, afford the opponent such broadcast time without requiring payment in advance and at the cost specified in subsection (b).

"(3) A licensee shall have no power of censorship over the material broadcast under this section.

"(4) Except as provided in paragraph (2), no obligation is imposed under this subsection upon any licensee to allow the use of its station by any candidate.

"(5)(A) Appearance by a legally qualified candidate on a—

"(i) bona fide newscast;

"(ii) bona fide news interview;

"(iii) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

"(iv) on-the-spot coverage of bona fide news events (including political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

"(B) Nothing in subparagraph (A) shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from their obligation under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(6)(A) A licensee that endorses a candidate for Federal office in an editorial shall, within the time stated in subparagraph (B), provide to all other candidates for election to the same office—

"(i) notice of the date and time of broadcast of the editorial;

"(ii) a taped or printed copy of the editorial; and

"(iii) a reasonable opportunity to broadcast a response using the licensee's facilities.

"(B) In the case of an editorial described in subparagraph (A) that—

"(i) is first broadcast 72 hours or more prior to the date of a primary, runoff, or general election, the notice and copy described in subparagraph (A) (i) and (ii) shall be provided not later than 24 hours after the time of the first broadcast of the editorial, and

"(ii) is first broadcast less than 72 hours before the date of an election, the notice and copy shall be provided at a time prior to the first broadcast that will be sufficient to enable candidates a reasonable opportunity to prepare and broadcast a response.".

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SEC. 301. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(j) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle, no contributions received after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors.".

SEC. 302. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)), as amended by section 201(b), is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting "; or"; and

(3) by inserting at the end the following new clause:

"(iv) with respect to a candidate and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mailings, or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period, not in excess of 60 days, for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished or the date of a mailing.".

Subtitle B—Provisions Relating To Soft Money of Political Parties

SEC. 311. DEFINITIONS.

(a) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Clause (xii) of section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)(xii)) is amended—

(A) by inserting "in connection with volunteer activities" after "such committee"; and

(B) by striking "and" at the end of subclause (2), by inserting "and" at the end of subclause (3), and by adding at the end the following new subclause:

"(4) such activities are conducted solely by, or any materials are distributed solely by, volunteers;".

(2) Clause (ix) of section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)(ix)) is amended—

(A) by inserting "in connection with volunteer activities" after "such committee", and

(B) by striking "and" at the end of subclause (2), by inserting "and" at the end of subclause (3), and by adding at the end the following new subclause:

"(4) any materials in connection with such activities are prepared for distribution (and are distributed) solely by volunteers;".

(b) GENERIC ACTIVITIES; STATE PARTY GRASSROOTS FUND.—Section 301 of FECA (2 U.S.C. 431), as amended by section 135, is amended by adding at the end thereof the following new paragraphs:

"(30) The term 'generic campaign activity' means a campaign activity that promotes a political party rather than any particular Federal or non-Federal candidate.

"(31) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 324(d).".

SEC. 312. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000;

"(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $20,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000;

"(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $15,000; or".

(c) OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended to read as follows:

"(3)(A) No individual shall make contributions during any election cycle (as defined in section 301(29)(B)) which, in the aggregate, exceed $60,000.

"(B) No individual shall make contributions during any calendar year—

"(i) to all candidates and their authorized political committees which, in the aggregate, exceed $25,000; or

"(ii) to all political committees established and maintained by State committees of a political party which, in the aggregate, exceed $20,000.

"(C) For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which such contribution is made shall be treated as made during the calendar year in which the election is held.".

(d) PRESIDENTIAL CANDIDATE COMMITTEE TRANSFERS.—(1) Subparagraph (B) of section 315(b)(1) of FECA (2 U.S.C. 441a(b)(1)) is amended to read as follows:

"(B) in the case of a campaign for election to such office, an amount equal to the sum of—

"(i) $20,000,000, plus

"(ii) the lesser of—

"(I) 2 cents multiplied by the voting age population of the United States (as certified under subsection (e) of this section), or

"(II) the amounts transferred by the candidate and the authorized committees of the candidate to the national committee of the candidate's political party for distribution to State Party Grassroots Funds.".

(2) Subparagraph (A) of section 9002(11) of the Internal Revenue Code of 1986 (defining qualified campaign expense) is amended by striking "or" at the end of clause (ii), by inserting "or" at the end of clause (iii), and by inserting at the end the following new clause "(iv) any transfers to the national committee of the candidate's political party for distribution to State Party Grassroots Funds (as defined in section 301(31) of the Federal Election Campaign Act of 1971) to the extent such transfers do not exceed the amount determined under section 315(b)(1)(B)(ii) of such Act.".

SEC. 313. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—Title III of FECA is amended by inserting after section 323 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) LIMITATIONS ON NATIONAL COMMITTEE.—(1) A national committee of a political party and the congressional campaign committees of a political party may not solicit or accept contributions or transfers not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to contributions—

"(A) that—

"(i) are to be transferred to a State committee of a political party and are used solely for activities described in clauses (xi) through (xvii) of paragraph (9)(B) of section 301; or

"(ii) are described in section 301(8)(B)(viii); and

"(B) with respect to which contributors have been notified that the funds will be used solely for the purposes described in subparagraph (A).

"(b) ACTIVITIES SUBJECT TO THIS ACT.—Any amount solicited, received, expended, or disbursed directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to any of the following activities shall be subject to the limitations, prohibitions, and reporting requirements of this Act:

"(1)(A) Any get-out-the-vote activity conducted during a calendar year in which an election for the office of President is held.

"(B) Any other get-out-the-vote activity unless subsection (c)(2) applies to the activity.

"(2) Any generic campaign activity.

"(3) Any activity that identifies or promotes a Federal candidate, regardless of whether—

"(A) a State or local candidate is also identified or promoted; or

"(B) any portion of the funds disbursed constitutes a contribution or expenditure under this Act.

"(4) Voter registration.

"(5) Development and maintenance of voter files during an even-numbered calendar year.

"(6) Any other activity that—

"(A) significantly affects a Federal election, or

"(B) is not otherwise described in section 301(8)(B)(xvii).

Any amount spent to raise funds that are used, in whole or in part, in connection with activities described in the preceding paragraphs shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

"(c) GET-OUT-THE-VOTE ACTIVITIES BY STATE, DISTRICT, AND LOCAL COMMITTEES OF POLITICAL PARTIES.—(1) Except as provided in paragraph (2), any get-out-the-vote activity for a State or local candidate, or for a ballot measure, which is conducted by a State, district, or local committee of a political party (including any subordinate committee) shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to any activity which the State committee of a political party certifies to the Commission is an activity which—

"(A) is conducted during a calendar year other than a calendar year in which an election for the office of President is held,

"(B) is exclusively on behalf of (and specifically identifies only) one or more State or local candidates or ballot measures, and

"(C) does not include any effort or means used to identify or turn out those identified to be supporters of any Federal candidate (including any activity that is undertaken in coordination with, or on behalf of, a candidate for Federal office).

"(d) STATE PARTY GRASSROOTS FUNDS.—(1) A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

"(A) any generic campaign activity;

"(B) payments described in clauses (v), (x), and (xii) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

"(C) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

"(D) voter registration; and

"(E) development and maintenance of voter files during an even-numbered calendar year.

"(2) Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if such district or local committee—

"(A) has established a separate segregated fund for the purposes described in paragraph (1); and

"(B) uses the transferred funds solely for those purposes.

"(e) AMOUNTS RECEIVED BY GRASSROOTS FUND FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (b) that are for the benefit of that candidate shall be treated as meeting the requirements of subsection (b) and section 304(e) if—

"(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

"(B) the State or local candidate committee—

"(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met; and

"(ii) certifies that such requirements were met.

"(2) For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in such paragraph—

"(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee, and

"(B) the committee must be able to demonstrate that its cash on hand contains sufficient funds meeting such requirements as are necessary to cover the transferred funds.

"(3) Notwithstanding paragraph (1), any State Party Grassroots Fund receiving any transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from such candidate committee.

"(4) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.".

(b) CONTRIBUTIONS AND EXPENDITURES.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended by striking "and" at the end of clause (xiii), by striking the period at the end of clause (xiv) and inserting a semicolon, and by adding at the end the following new clauses:

"(xv) any amount contributed to a candidate for other than Federal office;

"(xvi) any amount received or expended to pay the costs of a State or local political convention;

"(xvii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

"(xviii) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

"(I) overhead, including party meetings;

"(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

"(III) conducting party elections or caucuses;

"(xix) any payment for research pertaining solely to State and local candidates and issues;

"(xx) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

"(xxi) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).".

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended by striking "and" at the end of clause (ix), by striking the period at the end of clause (x) and inserting a semicolon, and by adding at the end the following new clauses:

"(xi) any amount contributed to a candidate for other than Federal office;

"(xii) any amount received or expended to pay the costs of a State or local political convention;

"(xiii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

"(xiv) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

"(I) overhead, including party meetings;

"(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

"(III) conducting party elections or caucuses;

"(xv) any payment for research pertaining solely to State and local candidates and issues;

"(xvi) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

"(xvii) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).".

(c) LIMITATION APPLIED AT NATIONAL LEVEL.—Paragraph (3) of section 315(d) of FECA (2 U.S.C. 441a(d)(3)) is amended by adding at the end the following new sentence: "Notwithstanding the preceding sentence, the applicable congressional campaign committee of a political party shall make the expenditures described in this paragraph which are authorized to be made by a national or State committee with respect to a candidate in any State unless it allocates all or a portion of such expenditures to either or both of such committees.".

(d) LIMITATIONS APPLY FOR ENTIRE ELECTION CYCLE.—Section 315(d)(1) of FECA (2 U.S.C. 441a(d)(1)) is amended by adding at the end the following new sentence: "Each limitation under the following paragraphs shall apply to the entire election cycle for an office.".

SEC. 314. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 301, is amended by adding at the end thereof the following new subsection:

"(k) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.—(1) For purposes of this Act, a candidate for Federal office, an individual holding Federal office, or any agent of the candidate or individual may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under subsections (a) (1) and (2), and are not from sources prohibited by such subsections with respect to elections to Federal office.

"(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

"(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, an agent of such a candidate or individual, or any national, State, district, or local committee of a political party (including a subordinate committee) and any agent of such a committee.

"(3) The appearance or participation by a candidate for Federal office or individual holding Federal office in any fundraising event conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if such candidate or individual does not solicit or receive, or make disbursements from, any funds resulting from such activity.

"(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

"(A) holds a Federal office; or

"(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.".

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(l) TAX-EXEMPT ORGANIZATIONS.—(1) If an individual is a candidate for, or holds, Federal office during any period, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

"(A) holds a Federal office; or

"(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.".

SEC. 315. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434), as amended by section 133(a), is amended by adding at the end thereof the following new subsection:

"(e) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 324 applies shall report all receipts and disbursements including separate schedules for receipts and disbursements for State Grassroots Funds described in section 301(31).

"(3) Any political committee to which section 324 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(d)(2) and shall itemize such amounts to the extent required by section 304(b)(3)(A).

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election.

"(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as subsection (b) (3)(A), (5), or (6).

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by inserting at the end thereof the following:

"(C) The exclusion provided in clause (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.".

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(f) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Paragraph (4) of section 304(b) of FECA (2 U.S.C. 434(b)(4)) is amended by striking "and" at the end of subparagraph (H), by inserting "and" at the end of subparagraph (I), and by adding at the end the following new subparagraph:

"(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;".

(2) NAMES AND ADDRESSES.—Subparagraph (A) of section 304(b)(5) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking "within the calendar year", and

(B) by inserting ", and the election to which the operating expenditure relates" after "operating expenditure".

TITLE IV—CONTRIBUTIONS

SEC. 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS; PROHIBITION ON CERTAIN CONTRIBUTIONS BY LOBBYISTS.

(a) CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.—Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection:

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

"(ii) the intermediary or conduit is—

"(I) a political committee;

"(II) an officer, employee, or agent of such a political committee;

"(III) a political party;

"(IV) a partnership or sole proprietorship;

"(V) a person who is required to register or to report its lobbying activities, or a lobbyist whose activities are required to be reported, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267), 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 activities; or

"(VI) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C)(i) The term 'intermediary or conduit' does not include—

"(I) a candidate or representative of a candidate receiving contributions to the candidate's principal campaign committee or authorized committee;

"(II) a professional fundraiser compensated for fundraising services at the usual and customary rate, but only if the individual is not described in subparagraph (B)(ii);

"(III) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(B), but only if the individual is not described in subparagraph (B)(ii); or

"(IV) an individual who transmits a contribution from the individual's spouse.

"(ii) The term 'representative' means an individual who is expressly authorized by the candidate to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not described in subparagraph (B)(ii).

"(iii) The term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting.

Such term does not include contributions made, or arranged to be made, by reason of an oral or written communication by a Federal candidate or officeholder expressly advocating the nomination for election, or election, of any other Federal candidate and encouraging the making of a contribution to such other candidate.

"(iv) The term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(VI):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient.".

(b) PROHIBITION ON 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) An individual who is described in section 315(a)(8)(B)(ii)(V) shall not make contributions to, or solicit contributions on behalf of—

"(A) any Member of Congress with respect to whom such individual has, during the preceding 12 months, either appeared before, or made a lobbying contact with, in such individual's representational capacity, or

"(B) any authorized committee of the President of the United States if, during the preceding 12 months, such individual has either appeared before, or made a lobbying contact with, a covered executive branch official.

"(2) An individual who is described in section 315(a)(8)(B)(ii)(V) who has made any contribution to, or solicited contributions on behalf of, any Member of Congress (or any authorized committee of the President of the United States) shall not, during the 12 months following such contribution or solicitation, either appear before, or make a lobbying contact with, such Member (or a covered executive branch official) in such individual's representational capacity.

"(3) For purposes of this subsection, 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.".

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 401(b), is amended by adding at the end the following new subsection:

"(n) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.".

SEC. 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) Notwithstanding paragraph (5)(B), a candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee), if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.".

SEC. 404. CONTRIBUTIONS AND EXPENDITURES USING MONEY SECURED BY PHYSICAL FORCE OR OTHER INTIMIDATION.

Title III of FECA, as amended by section 707, is amended by adding at the end the following new section:

"CONTRIBUTIONS AND EXPENDITURES USING MONEY SECURED BY PHYSICAL FORCE OR OTHER INTIMIDATION

"SEC. 326. It shall be unlawful for any person to—

"(1) cause another person to make a contribution or expenditure by using physical force, job discrimination, financial reprisals, or the threat of physical force, job discrimination, or financial reprisal; or

"(2) make a contribution or expenditure utilizing money or anything of value secured in the manner described in paragraph (1).".

SEC. 405. PROHIBITION OF ACCEPTANCE BY A CANDIDATE OF CASH CONTRIBUTIONS FROM ANY ONE PERSON AGGREGATING MORE THAN $100.

Section 321 of FECA (2 U.S.C. 441g) is amended by inserting ", and no candidate or authorized committee of a candidate shall accept from any one person," after "make".

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2) through (7) of section 304(b) of FECA (2 U.S.C. 434(b)(2)–(7)), as amended by section 315(d), are amended by inserting after "calendar year" each place it appears the following: "(election cycle, in the case of an authorized committee of a candidate for Federal office)".

SEC. 502. PERSONAL AND CONSULTING SERVICES.

(a) REPORTING BY POLITICAL COMMITTEES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to

the candidate or his or her authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

(b) RECORDKEEPING AND REPORTING BY PERSONS TO WHOM EXPENDITURES ARE PASSED THROUGH.—Section 302 of FECA (2 U.S.C. 432) is amended by adding at the end the following new subsection:

"(j) The person described in section 304(b)(5)(A) who is providing personal or consulting services and who is in turn making expenditures to other persons (not including employees) for goods or services provided to a candidate shall maintain records of and shall provide to a political committee the information necessary to enable the political committee to report the information described in section 304(b)(5)(A).".

SEC. 503. COMPUTERIZED INDICES OF CONTRIBUTIONS.

Section 311(a) of FECA (2 U.S.C. 438(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) maintain computerized indices of contributions of $200 or more.".

SEC. 504. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(g) of FECA (2 U.S.C. 432(g)) is amended by adding at the end the following new paragraph:

"(6)(A) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations under which persons required to file designations, statements, and reports under this Act—

"(i) are required to maintain and file them for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of $100,000 during the current calendar year, and

"(ii) may maintain and file them in that manner if not required to do so under clause (i).

"(B) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations which allow persons to file designations, statements, and reports required by this Act through the use of facsimile machines.

"(C) In prescribing regulations under this paragraph, the Commission shall provide methods (other than signing) for verifying designations, statements, and reports covered by the regulations. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

"(D) The Commission shall ensure that any computer (or other) system developed and maintained by the Commission to receive designations, statements, and reports in the forms required or permitted under this paragraph are compatible with the systems of the Secretary of the Senate and the Clerk of the House of Representatives.".

SEC. 505. POLITICAL COMMITTEES.

Section 303(b) of FECA (2 U.S.C. 433(b)) is amended—

(1) in paragraph (2), by inserting ", and if the organization or committee is incorporated, the State of incorporation" after "committee",

(2) by striking the "name and address of the treasurer" in paragraph (4) and inserting "the names and addresses of the officers", and

(3) by striking "and" at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting "; and", and by adding at the end the following new paragraph:

"(7) a statement of the purpose for which the political committee was formed.".

TITLE VI—FEDERAL ELECTION COMMISSION

SEC. 601. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name, or

"(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 602. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS.—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end;

(2) in subparagraph (B) by striking the period at the end and inserting "; and"; and

(3) by inserting the following new subparagraph at the end:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.".

(b) FILING DATE.—(1) Section 304(a)(3) (A)(i) and (B)(i) of FECA (2 U.S.C. 434(a)(3) (A)(i) and (B)(i)) are amended by striking "20th" and inserting "15th".

(2) Section 304(a)(4) of FECA (2 U.S.C. 434(a)(4)) is amended—

(A) in subparagraph (A)(i) by inserting ", and except that if at any time during the election year a committee receives contributions in excess of $100,000 ($10,000 in the case of a multicandidate political committee), or makes disbursements in excess of $100,000 ($10,000 in the case of a multicandidate political committee), monthly reports on the 15th day of each month after the month in which that amount of contributions is first received or that amount of disbursements is first anticipated to be made during that year" before the semicolon; and

(B) in subparagraph (B) by striking "20th" and inserting "15th".

(c) INCOMPLETE OR FALSE CONTRIBUTOR INFORMATION.—Section 302(i) of FECA (2 U.S.C. 432(i)) is amended—

(1) by striking "submit" and inserting "report"; and

(2) by adding the following at the end: "In the case of a contribution required to be reported under section 304(b)(3)(A), the contribution shall not be used by the political committee to make an expenditure until the political committee has obtained all of the information that is required to be reported.".

(d) WAIVER.—Section 304 of FECA (2 U.S.C. 434), as amended by section 315(c), is amended by adding at the end the following new subsection:

"(g) WAIVER.—The Commission may relieve any category of political committees of the obligation to file 1 or more reports required by this section, or may change the due dates of such reports, if it determines that such action is consistent with the purposes of this Act. The Commission may waive requirements to file reports in accordance with this subsection through a rule of general applicability or, in a specific case, may waive or change the due date of a report by notifying all political committees affected.".

SEC. 603. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed.".

(b) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence; and

(2) by striking the third sentence.

SEC. 604. ENFORCEMENT.

(a) IN GENERAL.—Section 309 of FECA (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) by amending paragraph (2) to read as follows:

"(2)(A)(i) If the Commission, upon receiving a complaint under paragraph (1) or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, agrees, by an affirmative vote of 3 of its members, with the General Counsel's recommendation that facts have been alleged or ascertained that, if true, give reason to investigate whether a violation of this Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1986 has occurred or is about to occur, the Commission shall, through its Chairman or Vice Chairman, notify the person of the alleged violation. The General Counsel may make an investigation of the alleged violation, which may include a field investigation or audit, in accordance with this section.

"(ii) If the General Counsel recommends that the Commission find no reason to believe an alleged violation has occurred and the Commission rejects that recommendation by an affirmative vote of 4 of its members, the Commission shall notify the person of the alleged violation and shall direct the General Counsel to make an investigation in accordance with clause (i).

"(B)(i) Notwithstanding section 307, in an investigation conducted under this section, the General Counsel shall have the powers provided in section 307(a) (2), (3), (4), and (5), including the power to issue subpoenas signed by the General Counsel.

"(ii) A person to whom a subpoena is directed by the General Counsel may file a motion to quash or modify the subpoena with the Commission prior to the time specified therein for compliance, but in no case more than 5 days after receipt of such subpoena. The Commission may determine, on an affirmative vote of 4 of its members, to quash or modify the subpoena at issue.";

(B) by adding at the end of paragraph (4)(A) the following new clauses:

"(iii) In a case initiated by a complaint under paragraph (1), if the General Counsel recommends that the Commission find probable cause to believe that a person has committed, or is about to commit, a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986, and the Commission fails to sustain or reject the General Counsel's recommendation, or any portion thereof, by an affirmative vote of 4 of its members, the complainant may bring a civil action in any district court of the United States described in paragraph (6)(A) in the name of the complainant to remedy the violation alleged in the complaint on which the Commission failed to achieve 4 votes.

"(iv) In a civil action brought by a complainant under subparagraph (iii), the court may grant a permanent or temporary injunction, restraining order, or other order, including a civil penalty that does not exceed the maximum amount permitted under paragraph (6)(B). A prevailing complainant shall be awarded an amount deemed appropriate by the court, but in no case more than 10 percent of the proceeds, which shall be paid out of the proceeds. The complainant shall also be awarded an amount for reasonable expenses that the court finds to have been necessarily incurred, plus reasonable attorneys' fees, and costs. All such expenses, fees and costs shall be awarded against the defendant."; and

(C) by adding at the end the following new paragraph:

"(14) Nothing in this subsection shall be construed to limit the ability of the Commission to determine at any time to take no further action in a proceeding under this subsection."; and

(2) by adding at the end the following new subsection:

"(e)(1) A complaint filed under subsection (a)(1) shall be, to the best of the signer's knowledge, information, and belief (formed after reasonable inquiry), well grounded in fact and warranted by a Commission regulation or decisional precedent or a good faith argument for the extension, modification, or reversal of existing law, and shall not be interposed for any improper purpose, such as to harass or to cause any unnecessary delay or needless increase in the cost of litigation.

"(2) If the Commission determines, on its own motion or on the basis of a complaint, that a complaint fails to meet the requirements of paragraph (1), it may proceed against the complainant in accordance with this section. In such a case, a conciliation agreement entered into by the Commission under paragraph (4)(A) may include a requirement that a party to the conciliation agreement pay a civil penalty not to exceed $20,000.".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraphs (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B)(i) If the complaint in a proceeding was filed within 60 days immediately preceding a general election, the Commission may take action described in this subparagraph.

"(ii) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to it, that there is clear and convincing evidence that a violation of this Act or of chapter 95 or 96 of the Internal Revenue Code of 1986 has occurred, is occurring, or is about to occur and it appears that the requirements for relief stated in subparagraph (A) (ii), (iii), and (iv) are met, the Commission may—

"(I) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(II) if the Commission determines that there is insufficient time to conduct proceedings before the election, immediately seek relief under subparagraph (A).

"(iii) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to it, that the complaint is clearly without merit, the Commission may—

"(I) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(II) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.

"(C) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found or in which the violation is occurring, has occurred, or is about to occur.".

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

(c) REFERRAL OF APPARENT VIOLATIONS TO THE ATTORNEY GENERAL.—Section 309(a)(5)(C) of FECA (2 U.S.C. 437g(a)(5)(C)) is amended by adding the following at the end: "The preceding sentence shall not be construed to detract from the general authority of the Commission under section 307(a)(9) to refer an apparent violation of law, including a violation of this Act, to the Attorney General at any time without making a finding of probable cause.".

(d) FAILURE TO PRESENT MATTER BEFORE THE COMMISSION.—Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) In a proceeding before a district court or court of appeals in which there is under review a decision of the Commission made in a proceeding under this section, the court shall not consider an argument, objection, issue, or other matter that was not presented to the Commission, but if the court finds that there was good cause for the failure to present the matter to the Commission, the court may remand the proceeding to the Commission for consideration of the matter.".

(e) REPRESENTATION OF THE COMMISSION IN COURT.—Section 306(f)(4) of FECA (2 U.S.C. 437c(f)(4)) is amended by adding at the end thereof the following: "The Commission may appear and submit briefs as amicus curiae in a proceeding a decision in which may affect the administration of this Act even though the proceeding may not arise under this Act or require interpretation or application of this Act. In any proceeding in which the Commission appears under authority of this paragraph or section 309, the Commission and its attorneys may be required to comply with local court rules, except that the Commission shall not be required to appear by local counsel.".

SEC. 605. PENALTIES.

(a) PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation." and inserting "which—

"(i) is not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) does not exceed the greater of $5,000 or all contributions and expenditures involved in the violation.".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation." and inserting "which—

"(i) is not less than all contributions and expenditures involved in the violation; and

"(ii) does not exceed the greater of $10,000 or 150 percent of all contributions and expenditures involved in the violation.".

(b) PENALTIES WHEN VIOLATIONS ARE ADJUDICATED IN COURT.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (B) or (C) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found or in which the violation occurred.".

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which—

"(i) is not less than all contributions and expenditures involved in the violation; and

"(ii) does not exceed the greater of $10,000 or 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.".

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which—

"(i) is not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) does not exceed the greater of $20,000 or 250 percent of all contributions and expenditures involved in the violation.".

SEC. 606. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986 or to an authorized committee of an eligible Senate candidate subject to audit under section 505(a).".

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking "6 months" and inserting "12 months".

SEC. 607. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting after "SEC. 322." the following: "(a)"; and

(2) by adding at the end the following:

"(b) No person shall solicit contributions by falsely representing himself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 608. REGULATIONS RELATING TO USE OF NON-FEDERAL MONEY.

Section 306 of FECA (2 U.S.C. 437c) is amended by adding at the end the following new subsection:

"(g) The Commission shall promulgate regulations to prohibit devices or arrangements which have the purpose or effect of undermining or evading the provisions of this Act restricting the use of non-Federal money to affect Federal elections.".

SEC. 609. SIMULTANEOUS REGISTRATION OF CANDIDATE AND CANDIDATE'S PRINCIPAL CAMPAIGN COMMITTEE.

Section 303(a) of FECA (2 U.S.C. 433(a)) is amended in the first sentence by striking "no later than 10 days after designation" and inserting "on the date of its designation".

SEC. 610. REIMBURSEMENT FUND.

Section 311 of FECA (2 U.S.C. 438) is amended by adding at the end thereof the following new subsection:

"(g)(1) There is established in the Treasury of the United States a Federal Election Commission Reimbursement Fund (referred to in this subsection as the "fund").

"(2) There shall be credited to the fund an amount equal to—

"(A) the expenses of the Commission incurred in preparing copies of documents, publications, computer tapes, and other forms of records sold to the public;

"(B) the expenses of the Commission incurred in responding to requests for records under section 552 of title 5, United States Code; and

"(C) costs awarded to the Commission in litigation.

"(3) Amounts credited to the fund shall be available without fiscal year limitation to the Commission, in addition to amounts otherwise appropriated to the Commission, for the purpose of paying the expenses of the Commission in providing records to the public as described in subparagraphs (A) and (B) and in providing at no charge to the public informational publications designed to assist candidates, political committees, and other persons in complying with this Act.".

SEC. 611. INSOLVENT POLITICAL COMMITTEES.

Section 303(d) of FECA (2 U.S.C. 433(d)) is amended by adding at the end the following new paragraph:

"(3) Proceedings by the Commission under paragraph (2) constitute the sole means, to the exclusion of proceedings under title 11, United States Code, by which a political committee that is determined by the Commission to be insolvent may compromise its debts, liquidate its assets, and terminate its existence.".

TITLE VII—MISCELLANEOUS

SEC. 701. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of FECA (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee."; and

(2) by adding at the end the following new paragraph:

"(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, finance, maintain, or control any Federal or non-Federal political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office. This paragraph shall not preclude a Federal officeholder who is a candidate for State or local office from establishing, financing, maintaining, or controlling a political committee for election of the individual to such State or local office.

"(B) For one year after the effective date of this paragraph, any political committee established before such date but which is prohibited under subparagraph (A) may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.".

SEC. 702. POLLING DATA CONTRIBUTED TO CANDIDATES.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 315(b), is amended by inserting at the end the following new subparagraph:

"(D) A contribution of polling data to a candidate shall be valued at the usual and normal charge for the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 703. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end the following new paragraph:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are receiving payments under section 9003 of the Internal Revenue Code of 1986 from the Secretary of the Treasury shall refund such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 3 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are receiving payments under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are receiving payments under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) not receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under that section.".

SEC. 704. TELEPHONE VOTING BY PERSONS WITH DISABILITIES.

(a) STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.—

(1) IN GENERAL.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(2) CONSULTATION.—The Federal Election Commission shall conduct the study described in paragraph (1) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(3) CRITERIA.—The system or systems developed pursuant to paragraph (1) shall—

(A) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(B) propose procedures to identify persons who are so disabled; and

(C) describe procedures and equipment that may be used to ensure that—

(i) only those persons who are entitled to use the system are permitted to use it;

(ii) the votes of persons who use the system are recorded accurately and remain secret;

(iii) the system minimizes the possibility of vote fraud; and

(iv) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(4) REQUESTS FOR PROPOSALS.—In developing a system described in paragraph (1), the

Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(5) PHYSICAL ACCESS.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(6) DEADLINE.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the effective date of this Act.

SEC. 705. PROVISIONS RELATING TO PRESIDENTIAL PRIMARY ELECTIONS.

(a) LIMITATION ON PRESIDENTIAL PRIMARY EXPENDITURES.—Section 315(b)(1)(A) of FECA (2 U.S.C. 441a(b)(1)(A)) is amended to read as follows:

"(A) $12,000,000, in the case of a campaign for nomination for election to such office; or".

(b) MINIMUM CONTRIBUTIONS.—Section 9033(b)(3) of the Internal Revenue Code of 1986 is amended—

(1) by striking "$5,000" and inserting "$15,000"; and

(2) by striking "20 States" and inserting "26 States".

(c) CONFORMING AMENDMENT.—Clause (vi) of section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)(vi)) is hereby repealed.

SEC. 706. CERTAIN TAX-EXEMPT ORGANIZATIONS NOT SUBJECT TO CORPORATE LIMITS.

Section 316 of FECA (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

"(c) PROHIBITIONS NOT TO APPLY TO INDEPENDENT EXPENDITURES OF CERTAIN TAX-EXEMPT ORGANIZATIONS.—(1) Nothing in this section shall preclude a qualified nonprofit corporation from making independent expenditures (as defined in section 301(17)).

"(2) For purposes of this subsection, the term 'qualified nonprofit corporation' means a corporation exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 which is described in section 501(c)(4) of such Code and which meets the following requirements:

"(A) Its only express purpose is the promotion of political ideas.

"(B) It cannot and does not engage in any activities that constitute a trade or business.

"(C) Its gross receipts for the calendar year have not (and will not) exceed $100,000, and the net value of its total assets at any time during the calendar year do not exceed $250,000.

"(D) It was not established by a person described in section 501(c)(6) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of such Code, a corporation engaged in carrying out a trade or business, or a labor organization, and it cannot and does not directly or indirectly accept donations of anything of value from any such person, corporation, or labor organization.

"(E) It—

"(i) has no shareholder or other person affiliated with it that could make a claim on its assets or earnings, and

"(ii) offers no incentives or disincentives for associating or not associating with it other than on the basis of its position on any political issue.

"(3) If a major purpose of a qualified nonprofit corporation is the making of independent expenditures, and the requirements of section 301(4) are met with respect to the corporation, the corporation shall be treated as a political committee.

"(4) All solicitations by a qualified nonprofit corporation shall include a notice informing contributors that donations may be used by the corporation to make independent expenditures.

"(5) A qualified nonprofit corporation shall file reports as required by section 304 (c) and (d).

SEC. 707. AIDING AND ABETTING VIOLATIONS OF FECA.

Title III of FECA, as amended by section 313, is amended by adding at the end the following new section:

"AIDING AND ABETTING VIOLATIONS

"SEC. 325. With reference to any provision of this Act that places a requirement or prohibition on any person acting in a particular capacity, any person who knowingly aids or abets the person in that capacity in violating that provision may be proceeded against as a principal in the violation.".

SEC. 708. DEPOSIT OF REPAYMENTS OF EXCESS PAYMENTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Subsection (d) of section 9007 of the Internal Revenue Code of 1986 (relating to examinations, audits, and repayments) is amended to read as follows:

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary under this section shall be deposited in the fund.".

SEC. 709. DISQUALIFICATION FROM RECEIVING PUBLIC FUNDING FOR PRESIDENTIAL ELECTION CAMPAIGNS.

(a) GENERAL ELECTION.—Section 9003 of the Internal Revenue Code of 1986 (relating to condition for eligibility to receive payments) is amended by adding at the end the following new subsection:

"(e) DISQUALIFICATION.—A person who has been convicted of a violation of this chapter or chapter 96 shall be ineligible to receive benefits under this chapter on and after the date of the conviction.".

(b) PRIMARY ELECTION.—Section 9033 of the Internal Revenue Code of 1986 (relating to condition for eligibility to receive payments) is amended by adding at the end the following new subsection:

"(d) DISQUALIFICATION.—A person who has been convicted of a violation of this chapter or chapter 95 shall be ineligible to receive benefits under this chapter on and after the date of the conviction.".

SEC. 710. PROHIBITION OF CONTRIBUTIONS TO PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FUNDING IN THE GENERAL ELECTION CAMPAIGN.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 402, is amended by adding at the end the following new subsection:

"(o) Except to the extent permitted under sections 9003 (b)(2) and (c)(2) of the Internal Revenue Code of 1986, no person shall make a contribution to a candidate who has become eligible to receive benefits under chapter 95 of such Code by making a certification described in section 9003 (b) and (c) of such Code.".

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 801. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1995.

SEC. 802. BUDGET NEUTRALITY.

(a) DELAYED EFFECTIVENESS.—The provisions of this Act (other than this section) shall not be effective until the Director of the Office of Management and Budget certifies that the estimated costs under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 have been offset by the enactment of legislation effectuating this Act.

(b) FUNDING.—Legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal program, or increase the Federal budget deficit, but shall provide that the legislation be funded by imposing a Federal income tax at the top corporate rate on political committees of candidates who do not abide by the Federal campaign spending limits.

SEC. 803. SEVERABILITY.

Except as provided in section 101(c), if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 804. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court finding any provision of this Act, or amendment made by this Act, to be unconstitutional.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 805. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out the provisions of this Act within 9 months after the effective date of this Act.

AMENDMENT NO. 453

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1993".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

Sec. 101. Senate spending limits and benefits.
Sec. 102. Ban on activities of political action committees in Federal elections.
Sec. 103. Reporting requirements.
Sec. 104. Disclosure by noneligible candidates.
Sec. 105. Excess campaign funds of Senate candidates.

Subtitle B—General Provisions

Sec. 131. Broadcast rates and preemption.
Sec. 132. Extension of reduced third-class mailing rates to eligible Senate candidates.
Sec. 133. Reporting requirements for certain independent expenditures.

Sec. 134. Campaign advertising amendments.
Sec. 135. Definitions.
Sec. 136. Provisions relating to franked mass mailings.
TITLE II—INDEPENDENT EXPENDITURES
Sec. 201. Clarification of definitions relating to independent expenditures.
Sec. 202. Equal broadcast time.
TITLE III—EXPENDITURES
Subtitle A—Personal Loans; Credit
Sec. 301. Personal contributions and loans.
Sec. 302. Extensions of credit.
Subtitle B—Provisions Relating to Soft Money of Political Parties
Sec. 311. Definitions.
Sec. 312. Contributions to political party committees.
Sec. 313. Provisions relating to national, State, and local party committees.
Sec. 314. Restrictions on fundraising by candidates and officeholders.
Sec. 315. Reporting requirements.
TITLE IV—CONTRIBUTIONS
Sec. 401. Contributions through intermediaries and conduits; prohibition on certain contributions by lobbyists.
Sec. 402. Contributions by dependents not of voting age.
Sec. 403. Contributions to candidates from State and local committees of political parties to be aggregated.
Sec. 404. Contributions and expenditures using money secured by physical force or other intimidation.
Sec. 405. Prohibition of acceptance by a candidate of cash contributions from any one person aggregating more than $100.
TITLE V—REPORTING REQUIREMENTS
Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
Sec. 502. Personal and consulting services.
Sec. 503. Computerized indices of contributions.
Sec. 504. Filing of reports using computers and facsimile machines.
Sec. 505. Political committees.
TITLE VI—FEDERAL ELECTION COMMISSION
Sec. 601. Use of candidates' names.
Sec. 602. Reporting requirements.
Sec. 603. Provisions relating to the general counsel of the Commission.
Sec. 604. Enforcement.
Sec. 605. Penalties.
Sec. 606. Audits.
Sec. 607. Prohibition of false representation to solicit contributions.
Sec. 608. Regulations relating to use of non-Federal money.
Sec. 609. Simultaneous registration of candidate and candidate's principal campaign committee.
Sec. 610. Reimbursement fund.
Sec. 611. Insolvent political committees.
TITLE VII—MISCELLANEOUS
Sec. 701. Prohibition of leadership committees.
Sec. 702. Polling data contributed to candidates.
Sec. 703. Debates by general election candidates who receive amounts from the Presidential Election Campaign Fund.
Sec. 704. Telephone voting by persons with disabilities.
Sec. 705. Provisions relating to Presidential primary elections.
Sec. 706. Certain tax-exempt organizations not subject to corporate limits.
Sec. 707. Aiding and abetting violations of FECA.
Sec. 708. Deposit of repayments of excess payments from the Presidential Election Campaign Fund.
Sec. 709. Disqualification from receiving public funding for Presidential election campaigns.
Sec. 710. Prohibition of contributions to Presidential candidates who receive public funding in the general election campaign.
TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS
Sec. 801. Effective date.
Sec. 802. Budget neutrality.
Sec. 803. Severability.
Sec. 804. Expedited review of constitutional issues.
Sec. 805. Regulations.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SEC. 101. SENATE SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) PRIMARY FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration that—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b);

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a); and

"(D) the candidate and the candidate's authorized committees will meet the closed captioning requirements of section 509.

"(2) The declaration under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

"(c) GENERAL ELECTION FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate certifies to the Secretary of the Senate, under penalty of perjury, that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

"(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 502(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b) and the amounts described in subsections (c), (d), and (e) of section 502, reduced by any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission;

"(vi) will cooperate in the case of any audit and examination by the Commission under section 505 and will pay any amounts required to be paid under that section; and

"(vii) will meet the closed captioning requirements of section 509; and

"(E) the candidate intends to make use of the benefits provided under section 503.

"(2) The certification under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 502(b); or

"(ii) $2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to

the Secretary of the Senate or to the Commission with respect to such period under section 304.

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

"(A) 10 percent of the general election expenditure limit under section 502(b); or

"(B) $250,000.

"(2) For purposes of this section and subsections (b) and (c) of section 503—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 503(b).

"(3) For purposes of this subsection and subsections (b) and (c) of section 503, the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of subsections (b) and (c) of section 503, the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) INDEXING.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for purposes of subsection (d)(1) and section 502(b)(3), the base period shall be calendar year 1996.

"SEC. 502. LIMITATIONS ON EXPENDITURES.

"(a) LIMITATION ON USE OF PERSONAL FUNDS.—(1) The aggregate amount of expenditures which may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

"(A) 10 percent of the general election expenditure limit under subsection (b); or

"(B) $250,000.

"(2) A source is described in this paragraph if it is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) GENERAL ELECTION EXPENDITURE LIMIT.—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $1,200,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible Senate candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(f) (relating to indexing).

"(c) LEGAL AND ACCOUNTING COMPLIANCE FUND.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a legal and accounting compliance fund meeting the requirements of paragraph (2).

"(2) A legal and accounting compliance fund meets the requirements of this paragraph if—

"(A) the fund is established with respect to qualified legal and accounting expenditures incurred with respect to a particular general election;

"(B) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(C) the aggregate amounts transferred to, and expenditures made from, the fund with respect to the election cycle do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(D) no funds received by the candidate pursuant to section 503(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection, the term 'qualified legal and accounting expenditures' means the following:

"(A) Any expenditures for costs of legal and accounting services provided in connection with—

"(i) any administrative or court proceeding initiated pursuant to this Act for the general election for which the legal and accounting fund was established; or

"(ii) the preparation of any documents or reports required by this Act or the Commission.

"(B) Any expenditures for legal and accounting services provided in connection with the general election for which the legal and accounting compliance fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures will exceed the limitation under paragraph (2)(C)(i), the candidate may petition the Commission by filing with the Secretary of the Senate a request for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation. Such determination shall be subject to judicial review under section 506.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5) Any funds in a legal and accounting compliance fund shall be treated for purposes of this Act as a separate segregated fund, except that any portion of the fund not used to pay qualified legal and accounting expenditures, and not transferred to a legal and accounting compliance fund for the election cycle for the next general election, shall be treated in the same manner as other campaign funds for purposes of section 313(b).

"(d) PAYMENT OF TAXES ON EARNINGS.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local income taxes on the earnings of a candidate's authorized committees.

"(e) CERTAIN EXPENSES.—In the case of an eligible Senate candidate who holds a Federal office, the limitation under subsection (b) shall not apply to ordinary and necessary expenses of travel of such individual and the individual's spouse and children between Washington, D.C. and the individual's State in connection with the individual's activities as a holder of Federal office.

"(f) EXPENDITURES.—For purposes of this title, the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or a candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) thereof.

"SEC. 503. BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE.

"(a) IN GENERAL.—An eligible Senate candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3626(e) of title 39, United States Code; and

"(3) payments from the Senate Election Campaign Fund in an amount equal to—

"(A) the excess expenditure amount determined under subsection (b); and

"(B) the independent expenditure amount determined under subsection (c).

"(b) EXCESS EXPENDITURE AMOUNT.—(1) For purposes of subsection (a)(2)(A), except as provided in section 510(d), the amount determined under this subsection is, 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 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) is less than 133⅓ 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 133⅓ 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 least of the following:

"(i) The allowable contributions of the eligible Senate candidate during the applicable period in excess of the threshold contribution requirement under section 501(e).

"(ii) 50 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(iii) The excess described in paragraph (1).

"(c) INDEPENDENT EXPENDITURE AMOUNT.—For purposes of subsection (a)(2)(B), the amount determined under this subsection 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).

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1)(A) An eligible Senate candidate who receives payments under subsection (a)(3) 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 and the amount of such payments 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 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 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) 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 that are equivalent to the increase in Federal revenues by reason of the imposition of income tax on political committees of candidates who do not abide by the Federal campaign spending limits.

"(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 (c), 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) REDUCTIONS IN PAYMENTS IF FUNDS INSUFFICIENT.—(1) If, at the time of a certification by the Commission under section 504 for payment 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 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 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. 102. BAN ON ACTIVITIES OF POLITICAL ACTION COMMITTEES IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Title III of FECA (2 U.S.C. 301 et seq.), as amended by section 404, is amended by adding at the end thereof the following new section:

"BAN ON FEDERAL ELECTION ACTIVITIES BY POLITICAL ACTION COMMITTEES

"SEC. 327. (a) Notwithstanding any other provision of this Act, no person other than an individual or a political committee may make contributions, solicit or receive contributions, or make expenditures for the purpose of influencing an election for Federal office.

"(b) In the case of individuals who are executive or administrative personnel of an employer—

"(1) no contributions may be made by such individuals—

"(A) to any political committees established and maintained by any political party; or

"(B) to any candidate for election to the office of United States Senator or the candidate's authorized committees,

unless such contributions are not being made at the direction of, or otherwise controlled or influenced by, the employer; and

"(2) the aggregate amount of such contributions by all such individuals in any calendar year shall not exceed—

"(A) $20,000 in the case of such political committees; and

"(B) $5,000 in the case of any such candidate and the candidate's authorized committees.".

(b) DEFINITION OF POLITICAL COMMITTEE.—(1) Paragraph (4) of section 301 of FECA (2 U.S.C. 431(4)) is amended to read as follows:

"(4) The term 'political committee' means—

"(A) the principal campaign committee of a candidate;

"(B) any national, State, or district committee of a political party, including any subordinate committee thereof; and

"(C) any local committee of a political party which—

"(i) receives contributions aggregating in excess of $5,000 during a calendar year;

"(ii) makes payments exempted from the definition of contribution or expenditure under paragraph (8) or (9) aggregating in excess of $5,000 during a calendar year; or

"(iii) makes contributions or expenditures aggregating in excess of $1,000 during a calendar year.".

(2) Section 316(b)(2) of FECA (2 U.S.C. 441b(b)(2)) is amended by striking subparagraph (C).

(c) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end thereof the following new paragraph:

"(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee which is established or financed or maintained or controlled by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder.".

(2) Section 302(e)(3) of FECA (2 U.S.C. 432) is amended to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.".

(d) RULES APPLICABLE WHEN BAN NOT IN EFFECT.—For purposes of the Federal Election Campaign Act of 1971, during any period beginning after the effective date in which the limitation under section 327 of such Act (as added by subsection (a)) is not in effect—

(1) the amendments made by subsections (a), (b), and (c) shall not be in effect;

(2) in the case of a candidate for election, or nomination for election, to the office of President or Vice President or to the United States Senate (and such candidate's authorized committees), section 315(a)(2)(A) of FECA (2 U.S.C. 441a(a)(2)(A)) shall be applied by substituting "$1,000" for "$5,000";

(3) it shall be unlawful for a multicandidate political committee to make a contribution to a candidate for election, or nomination for election, to the United States Senate (or an authorized committee) to the extent that the making or accepting of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed the lesser of—

(A) $825,000; or

(B) 20 percent of the sum of the general election spending limit under section 502(b) of FECA plus the primary election spending limit under section 501(d)(1)(A) of FECA (without regard to whether the candidate is an eligible Senate candidate, as defined in section 301(19) of FECA).

In the case of an election cycle in which there is a runoff election, the limit determined under paragraph (3) shall be increased by an amount equal to 20 percent of the runoff election expenditure limit under section 501(d)(1)(A) of FECA (without regard to whether the candidate is such an eligible candidate). The $825,000 amount in paragraph (3) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c) of FECA, except that for purposes of paragraph (3), the base period shall be the calendar year 1996. A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (3) shall return the amount of such excess contribution to the contributor.

(e) RULE ENSURING PROHIBITION ON DIRECT CORPORATE AND LABOR SPENDING.—If section 316(a) of the Federal Election Campaign Act of 1971 is held to be invalid by reason of the amendments made by this section, then the amendments made by this section shall not apply to contributions by any political committee that is directly or indirectly established, administered, or supported by a connected organization which is a bank, corporation, or other organization described in such section 316(a).

(f) RESTRICTIONS ON CONTRIBUTIONS TO POLITICAL COMMITTEES.—Paragraphs (1)(D) and (2)(D) of section 315(a) of FECA (2 U.S.C. 441a(a) (1)(D) and (2)(D)), as redesignated by section 312, are each amended by striking "$5,000" and inserting "$1,000".

(g) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1994.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received before January 1, 1994; or

(B) contributions made to, or received by, a candidate on or after January 1, 1994, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate before January 1, 1994, over

(ii) such contributions received by the candidate before January 1, 1994.

SEC. 103. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE SENATE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 501(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b). Such declaration shall be filed at the time provided in section 501(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible Senate candidate under section 501; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 75 percent of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b),

shall file a report with the Secretary of the Senate within 2 business days after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 2 business days after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 200 percent of such limit) with the Secretary of the Senate within 2 business days after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 100, 133⅓, 166⅔, and 200 percent of such limit.

"(3) The Commission—

"(A) shall, within 2 business days of receipt of a declaration or report under paragraph (1) or (2), notify each eligible Senate candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 502(b), shall certify, pursuant to the provisions of subsection (d), such eligibility for payment of any amount to which such eligible Senate candidate is entitled under section 503(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible Senate candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 2 business days after making each such determination, notify each eligible Senate candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 502(b), certify (pursuant to the provisions of subsection (d)) such candidate's eligibility for payment of any amount under section 503(a).

"(b) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than the limitation under section 502(a) during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 2 business days after such expenditures have been made or loans incurred.

"(2) The Commission within 2 business days after a report has been filed under paragraph (1) shall notify each eligible Senate candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 2 business days after making such determination shall notify each eligible Senate candidate in the general election involved about each such determination.

"(c) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate for the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(4) The Commission shall certify to the individual and such individual's opponents the amounts the Commission determines to be described in paragraph (3) and such amounts shall be treated as expenditures for purposes of this Act.

"(d) CERTIFICATIONS.—Notwithstanding section 504(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of the Commission's own investigation or determination.

"(e) SHORTER PERIODS FOR REPORTS AND NOTICES DURING ELECTION WEEK.—Any report, determination, or notice required by reason of an event occurring during the 7-day period ending with the general election shall be made within 24 hours (rather than 2 business days) of the event.

"(f) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or under title V as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

"(g) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V.".

SEC. 104. DISCLOSURE BY NONELIGIBLE CANDIDATES.

Section 318 of FECA (2 U.S.C. 441d), as amended by section 134, is amended by adding at the end thereof the following:

"(f) If a broadcast, cablecast, or other communication is paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible Senate candidate, or the authorized committee of such candidate, such communication shall contain the following sentence: 'This candidate has not agreed to voluntary campaign spending limits.'.".

SEC. 105. EXCESS CAMPAIGN FUNDS OF SENATE CANDIDATES.

Section 313 of FECA (2 U.S.C. 439a) is amended—

(1) by inserting "(a) IN GENERAL.—" before "Amounts"; and

(2) by adding at the end the following new subsection:

"(b) RETURN OF EXCESS CAMPAIGN FUNDS.—(1) Except as provided in paragraph (2), and notwithstanding subsection (a), if a candidate for the Senate has amounts in excess of amounts necessary to defray campaign expenditures for any election cycle, including any fines or penalties relating thereto, such candidate shall, not later than 1 year after the date of the general election for such cycle, expend such excess in the manner described in subsection (a) or transfer it to the Senate Election Campaign Fund established under section 510.

"(2) Paragraph (1) shall not apply to any amounts—

"(A) transferred to a legal and accounting compliance fund established under section 502(c); or

"(B) transferred for use in the next election cycle to the extent such amounts do not exceed 20 percent of the sum of the primary election expenditure limit under section 501(d)(1)(A) and the general election expenditure limit under section 502(b) for the election cycle from which the amounts are being transferred.".

Subtitle B—General Provisions

SEC. 131. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) in paragraph (1)—

(A) by striking "forty-five" and inserting "30"; and

(B) by striking "lowest unit charge of the station for the same class and amount of time for the same period" and inserting "lowest charge of the station for the same amount of time for the same period on the same date"; and

(2) by adding at the end the following new sentence:

"In the case of an eligible Senate candidate (as defined in section 301(19) of the Federal Election Campaign Act of 1971), the charges for the use of a television broadcasting station during the 60-day period referred to in paragraph (1) shall not exceed 50 percent of the lowest charge described in paragraph (1), except that this sentence shall not apply to broadcasts which are to be paid by vouchers which are received under section 503(c)(4) by reason of the independent expenditure amount.".

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1), of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to the provisions of subsection (b)(1).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.".

(c) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of such Act (47 U.S.C. 312(a)(7)) is amended—

(1) by striking "or repeated";

(2) by inserting "or cable system" after "broadcasting station"; and

(3) by striking "his candidacy" and inserting "his or her candidacy, under the same terms, conditions, and business practices as apply to its most favored advertiser".

SEC. 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE SENATE CANDIDATES.

Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking "and the National" and inserting "the National"; and

(B) by striking "Committee;" and inserting "Committee, and, subject to paragraph (3), the principal campaign committee of an eligible Senate candidate;";

(2) in paragraph (2)(B), by striking "and" after the semicolon;

(3) in paragraph (2)(C), by striking the period and inserting "; and";

(4) by adding after paragraph (2)(C) the following new subparagraph:

"(D) the terms 'eligible Senate candidate' and 'principal campaign committee' have the meanings given those terms in section 301 of

the Federal Election Campaign Act of 1971."; and

(5) by adding after paragraph (2) the following new paragraph:

"(3) The rate made available under this subsection with respect to an eligible Senate candidate shall apply only to—

"(A) the general election period (as defined in section 301 of the Federal Election Campaign Act of 1971); and

"(B) that number of pieces of mail equal to the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the State.".

SEC. 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—(1) Any person making independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before any election shall file a report of such expenditures within 24 hours after such expenditures are made.

"(2) Any person making independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before any election shall file a report within 48 hours after such expenditures are made. An additional statement shall be filed each time independent expenditures aggregating $10,000 are made with respect to the same election as the initial statement filed under this section.

"(3) Any statement under this subsection shall be filed with the Secretary of the Senate or the Commission, and the Secretary of State of the State involved, as appropriate, and shall contain the information required by subsection (b)(6)(B)(iii) of this section, including whether the independent expenditure is in support of, or in opposition to, the candidate involved. The Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

"(4) For purposes of this subsection, an expenditure shall be treated as made when it is made or obligated to be made.

"(5)(A) If any person intends to make independent expenditures totaling $5,000 or more during the 20 days before an election, such person shall file a statement no later than the 20th day before the election.

"(B) Any statement under subparagraph (A) shall be filed with the Secretary of the Senate or the Commission, and the Secretary of State of the State involved, as appropriate, and shall identify each candidate whom the expenditure will support or oppose. The Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a statement under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

"(6) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any Federal election which in the aggregate exceed the applicable amounts under paragraph (1) or (2). The Commission shall notify each candidate in such election of such determination within 24 hours of making it.

"(7) At the same time as a candidate is notified under paragraph (3), (5), or (6) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 503(a).

"(8) The Secretary of the Senate shall make any statement received under this subsection available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such statements in the same manner as the Commission under section 311(a)(5).".

(b) CONFORMING AMENDMENT.—Section 304(c)(2) of FECA (2 U.S.C. 434(c)(2)) is amended by striking the undesignated matter after subparagraph (C).

SEC. 134. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(2) in the matter before paragraph (1) of subsection (a), by striking "an expenditure" and inserting "a disbursement";

(3) in the matter before paragraph (1) of subsection (a), by striking "direct";

(4) in paragraph (3) of subsection (a), by inserting after "name" the following "and permanent street address"; and

(5) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement which—

"(A) states: 'I, (name of the candidate), am a candidate for (the office the candidate is seeking) and I have approved this message';

"(B) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(C) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement—

'_____ is responsible for the content of this advertisement.'

with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor; and, if broadcast or cablecast by means of television, shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

SEC. 135. DEFINITIONS.

(a) IN GENERAL.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

"(19) The term 'eligible Senate candidate' means a candidate who is certified under section 504 as eligible to receive benefits under title V.

"(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office. Such term includes a primary election which may result in the election of a person to a Federal office.

"(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(22) The term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B).

"(23) The term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of title V.

"(24) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

"(25) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

"(26) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

"(27) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

"(28) The term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"(29) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.".

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent residence address".

SEC. 136. PROVISIONS RELATING TO FRANKED MASS MAILINGS.

Section 3210(a)(6)(C) of title 39, United States Code, is amended—

(1) by striking "if such mass mailing is postmarked fewer than 60 days immediately before the date" and inserting "if such mass mailing is postmarked during the calendar year"; and

(2) by inserting "or reelection" immediately before the period.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure for an advertisement or other communication that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by a political committee of a political party.

"(ii) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

"(iii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iv) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(v) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

"(vi) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office.

"(vii) An expenditure if the person making the expenditure has consulted at any time during the calendar year in which the election is to be held about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person, and the term 'professional services shall include any services (other than legal and accounting services for purposes of ensuring compliance with this Act) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

"(18) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.".

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that does not qualify as an independent expenditure under paragraph (17)(A)(ii).".

SEC. 202. EQUAL BROADCAST TIME.

Section 315(a) of the Communications Act of 1934 (47 U.S.C. 315(a)) is amended to read as follows:

"(a)(1) If a licensee permits any person who is a legally qualified candidate for public office to use a broadcasting station other than any use required to be provided under paragraph (2), the licensee shall afford equal opportunities to all other such candidates for that office in the use of the broadcasting station.

"(2)(A) A person who reserves broadcast time the payment for which would constitute an independent expenditure within the meaning of section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) shall—

"(i) inform the licensee that payment for the broadcast time will constitute an independent expenditure;

"(ii) inform the licensee of the names of all candidates for the office to which the proposed broadcast relates and state whether the message to be broadcast is intended to be made in support of or in opposition to each such candidate; and

"(iii) provide the licensee a copy of the statement described in section 304(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(d)).

"(B) A licensee who is informed as described in subparagraph (A) shall—

"(i) if any of the candidates described in subparagraph (A)(ii) has provided the licensee the name and address of a person to whom notification under this subparagraph is to be given—

"(I) notify such person of the proposed making of the independent expenditure; and

"(II) allow any such candidate (other than a candidate for whose benefit the independent expenditure is made) to purchase the same amount of broadcast time immediately after the broadcast time paid for by the independent expenditure; and

"(ii) in the case of an opponent of a candidate for whose benefit the independent expenditure is made who certifies to the licensee that the opponent is eligible to have the cost of response broadcast time paid out of communication vouchers issued under section 503(a)(4) of the Federal Election Campaign Act of 1971, afford the opponent such broadcast time without requiring payment in advance and at the cost specified in subsection (b).

"(3) A licensee shall have no power of censorship over the material broadcast under this section.

"(4) Except as provided in paragraph (2), no obligation is imposed under this subsection upon any licensee to allow the use of its station by any candidate.

"(5)(A) Appearance by a legally qualified candidate on a—

"(i) bona fide newscast;

"(ii) bona fide news interview;

"(iii) bona fide news documentary (if the appearance of the candidate is incidental to the presentation of the subject or subjects covered by the news documentary); or

"(iv) on-the-spot coverage of bona fide news events (including political conventions and activities incidental thereto),

shall not be deemed to be use of a broadcasting station within the meaning of this subsection.

"(B) Nothing in subparagraph (A) shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from their obligation under this Act to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(6)(A) A licensee that endorses a candidate for Federal office in an editorial shall, within the time stated in subparagraph (B), provide to all other candidates for election to the same office—

"(i) notice of the date and time of broadcast of the editorial;

"(ii) a taped or printed copy of the editorial; and

"(iii) a reasonable opportunity to broadcast a response using the licensee's facilities.

"(B) In the case of an editorial described in subparagraph (A) that—

"(i) is first broadcast 72 hours or more prior to the date of a primary, runoff, or general election, the notice and copy described in subparagraph (A) (i) and (ii) shall be provided not later than 24 hours after the time of the first broadcast of the editorial, and

"(ii) is first broadcast less than 72 hours before the date of an election, the notice and copy shall be provided at a time prior to the first broadcast that will be sufficient to enable candidates a reasonable opportunity to prepare and broadcast a response.".

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SEC. 301. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(j) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle, no contributions received after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors.".

SEC. 302. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)), as amended by section 201(b), is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting "; or"; and

(3) by inserting at the end the following new clause:

"(iv) with respect to a candidate and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mailings, or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period, not in excess of 60 days, for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished or the date of a mailing.".

Subtitle B—Provisions Relating To Soft Money of Political Parties

SEC. 311. DEFINITIONS.

(a) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Clause (xii) of section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)(xii)) is amended—

(A) by inserting "in connection with volunteer activities" after "such committee"; and

(B) by striking "and" at the end of subclause (2), by inserting "and" at the end of subclause (3), and by adding at the end the following new subclause:

"(4) such activities are conducted solely by, or any materials are distributed solely by, volunteers;".

(2) Clause (ix) of section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)(ix)) is amended—

(A) by inserting "in connection with volunteer activities" after "such committee", and

(B) by striking "and" at the end of subclause (2), by inserting "and" at the end of subclause (3), and by adding at the end the following new subclause:

"(4) any materials in connection with such activities are prepared for distribution (and are distributed) solely by volunteers;".

(b) GENERIC ACTIVITIES; STATE PARTY GRASSROOTS FUND.—Section 301 of FECA (2 U.S.C. 431), as amended by section 135, is amended by adding at the end thereof the following new paragraphs:

"(30) The term 'generic campaign activity' means a campaign activity that promotes a political party rather than any particular Federal or non-Federal candidate.

"(31) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 324(d).".

SEC. 312. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000;

"(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a person to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $20,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000;

"(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State Committee of a political party in any State in any calendar year shall not exceed $15,000; or".

(c) OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended to read as follows:

"(3)(A) No individual shall make contributions during any election cycle (as defined in section 301(29)(B)) which, in the aggregate, exceed $60,000.

"(B) No individual shall make contributions during any calendar year—

"(i) to all candidates and their authorized political committees which, in the aggregate, exceed $25,000; or

"(ii) to all political committees established and maintained by State committees of a political party which, in the aggregate, exceed $20,000.

"(C) For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which such contribution is made shall be treated as made during the calendar year in which the election is held.".

(d) PRESIDENTIAL CANDIDATE COMMITTEE TRANSFERS.—(1) Subparagraph (B) of section 315(b)(1) of FECA (2 U.S.C. 441a(b)(1)) is amended to read as follows:

"(B) in the case of a campaign for election to such office, an amount equal to the sum of—

"(i) $20,000,000, plus

"(ii) the lesser of—

"(I) 2 cents multiplied by the voting age population of the United States (as certified under subsection (e) of this section), or

"(II) the amounts transferred by the candidate and the authorized committees of the candidate to the national committee of the candidate's political party for distribution to State Party Grassroots Funds.".

(2) Subparagraph (A) of section 9002(11) of the Internal Revenue Code of 1986 (defining qualified campaign expense) is amended by striking "or" at the end of clause (ii), by inserting "or" at the end of clause (iii), and by inserting at the end the following new clause "(iv) any transfers to the national committee of the candidate's political party for distribution to State Party Grassroots Funds (as defined in section 301(31) of the Federal Election Campaign Act of 1971) to the extent such transfers do not exceed the amount determined under section 315(b)(1)(B)(ii) of such Act,".

SEC. 313. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—Title III of FECA is amended by inserting after section 323 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) LIMITATIONS ON NATIONAL COMMITTEE.—(1) A national committee of a political party and the congressional campaign committees of a political party may not solicit or accept contributions or transfers not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to contributions—

"(A) that—

"(i) are to be transferred to a State committee of a political party and are used solely for activities described in clauses (xi) through (xvii) of paragraph (9)(B) of section 301; or

"(ii) are described in section 301(8)(B)(viii); and

"(B) with respect to which contributors have been notified that the funds will be used solely for the purposes described in subparagraph (A).

"(b) ACTIVITIES SUBJECT TO THIS ACT.—Any amount solicited, received, expended, or disbursed directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to any of the following activities shall be subject to the limitations, prohibitions, and reporting requirements of this Act:

"(1)(A) Any get-out-the-vote activity conducted during a calendar year in which an election for the office of President is held.

"(B) Any other get-out-the-vote activity unless subsection (c)(2) applies to the activity.

"(2) Any generic campaign activity.

"(3) Any activity that identifies or promotes a Federal candidate, regardless of whether—

"(A) a State or local candidate is also identified or promoted; or

"(B) any portion of the funds disbursed constitutes a contribution or expenditure under this Act.

"(4) Voter registration.

"(5) Development and maintenance of voter files during an even-numbered calendar year.

"(6) Any other activity that—

"(A) significantly affects a Federal election, or

"(B) is not otherwise described in section 301(8)(B)(xvii).

Any amount spent to raise funds that are used, in whole or in part, in connection with activities described in the preceding paragraphs shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

"(c) GET-OUT-THE-VOTE ACTIVITIES BY STATE, DISTRICT, AND LOCAL COMMITTEES OF POLITICAL PARTIES.—(1) Except as provided in paragraph (2), any get-out-the-vote activity for a State or local candidate, or for a ballot measure, which is conducted by a State, district, or local committee of a political party (including any subordinate committee) shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to any activity which the State committee of a political party certifies to the Commission is an activity which—

"(A) is conducted during a calendar year other than a calendar year in which an election for the office of President is held,

"(B) is exclusively on behalf of (and specifically identifies only) one or more State or local candidates or ballot measures, and

"(C) does not include any effort or means used to identify or turn out those identified to be supporters of any Federal candidate (including any activity that is undertaken in coordination with, or on behalf of, a candidate for Federal office).

"(d) STATE PARTY GRASSROOTS FUNDS.—(1) A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

"(A) any generic campaign activity;

"(B) payments described in clauses (v), (x), and (xii) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

"(C) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

"(D) voter registration; and

"(E) development and maintenance of voter files during an even-numbered calendar year.

"(2) Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if such district or local committee—

"(A) has established a separate segregated fund for the purposes described in paragraph (1); and

"(B) uses the transferred funds solely for those purposes.

"(e) AMOUNTS RECEIVED BY GRASSROOTS FUND FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (b) that are for the benefit of that candidate shall be treated as meeting the requirements of subsection (b) and section 304(e) if—

"(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

"(B) the State or local candidate committee—

"(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met; and

"(ii) certifies that such requirements were met.

"(2) For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in such paragraph—

"(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee, and

"(B) the committee must be able to demonstrate that its cash on hand contains sufficient funds meeting such requirements as are necessary to cover the transferred funds.

"(3) Notwithstanding paragraph (1), any State Party Grassroots Fund receiving any transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from such candidate committee.

"(4) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.".

(b) CONTRIBUTIONS AND EXPENDITURES.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended by striking "and" at the end of clause (xiii), by striking the period at the end of clause (xiv) and inserting a semicolon, and by adding at the end the following new clauses:

"(xv) any amount contributed to a candidate for other than Federal office;

"(xvi) any amount received or expended to pay the costs of a State or local political convention;

"(xvii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

"(xviii) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

"(I) overhead, including party meetings;

"(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

"(III) conducting party elections or caucuses;

"(xix) any payment for research pertaining solely to State and local candidates and issues;

"(xx) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

"(xxi) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).".

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended by striking "and" at the end of clause (ix), by striking the period at the end of clause (x) and inserting a semicolon, and by adding at the end the following new clauses:

"(xi) any amount contributed to a candidate for other than Federal office;

"(xii) any amount received or expended to pay the costs of a State or local political convention;

"(xiii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

"(xiv) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

"(I) overhead, including party meetings;

"(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

"(III) conducting party elections or caucuses;

"(xv) any payment for research pertaining solely to State and local candidates and issues;

"(xvi) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

"(xvii) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).".

(c) LIMITATION APPLIED AT NATIONAL LEVEL.—Paragraph (3) of section 315(d) of FECA (2 U.S.C. 441a(d)(3)) is amended by adding at the end the following new sentence: "Notwithstanding the preceding sentence, the applicable congressional campaign committee of a political party shall make the expenditures described in this paragraph which are authorized to be made by a national or State committee with respect to a candidate in any State unless it allocates all or a portion of such expenditures to either or both of such committees.".

(d) LIMITATIONS APPLY FOR ENTIRE ELECTION CYCLE.—Section 315(d)(1) of FECA (2 U.S.C. 441a(d)(1)) is amended by adding at the end the following new sentence: "Each limitation under the following paragraphs shall apply to the entire election cycle for an office.".

SEC. 314. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 301, is amended by adding at the end thereof the following new subsection:

"(k) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.—(1) For purposes of this Act, a candidate for Federal office, an individual holding Federal office, or any agent of the candidate or individual may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under subsections (a) (1) and (2), and are not from

sources prohibited by such subsections with respect to elections to Federal office.

"(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

"(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, an agent of such a candidate or individual, or any national, State, district, or local committee of a political party (including a subordinate committee) and any agent of such a committee.

"(3) The appearance or participation by a candidate for Federal office or individual holding Federal office in any fundraising event conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if such candidate or individual does not solicit or receive, or make disbursements from, any funds resulting from such activity.

"(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

"(A) holds a Federal office; or

"(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.".

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(l) TAX-EXEMPT ORGANIZATIONS.—(1) If an individual is a candidate for, or holds, Federal office during any period, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

"(A) holds a Federal office; or

"(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.".

SEC. 315. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434), as amended by section 133(a), is amended by adding at the end thereof the following new subsection:

"(e) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 324 applies shall report all receipts and disbursements including separate schedules for receipts and disbursements for State Grassroots Funds described in section 301(31).

"(3) Any political committee to which section 324 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(d)(2) and shall itemize such amounts to the extent required by section 304(b)(3)(A).

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election.

"(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as subsection (b) (3)(A), (5), or (6).

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by inserting at the end thereof the following:

"(C) The exclusion provided in clause (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 shall be reported.".

(c) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(f) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

(d) OTHER REPORTING REQUIREMENTS.—

(1) AUTHORIZED COMMITTEES.—Paragraph (4) of section 304(b) of FECA (2 U.S.C. 434(b)(4)) is amended by striking "and" at the end of subparagraph (H), by inserting "and" at the end of subparagraph (I), and by adding at the end the following new subparagraph:

"(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;".

(2) NAMES AND ADDRESSES.—Subparagraph (A) of section 304(b)(5) of FECA (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking "within the calendar year", and

(B) by inserting ", and the election to which the operating expenditure relates" after "operating expenditure".

TITLE IV—CONTRIBUTIONS

SEC. 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS; PROHIBITION ON CERTAIN CONTRIBUTIONS BY LOBBYISTS.

(a) CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.—Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection:

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

"(ii) the intermediary or conduit is—

"(I) a political committee;

"(II) an officer, employee, or agent of such a political committee;

"(III) a political party;

"(IV) a partnership or sole proprietorship;

"(V) a person who is required to register or to report its lobbying activities, or a lobbyist whose activities are required to be reported, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267), 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 activities; or

"(VI) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C)(i) The term 'intermediary or conduit' does not include—

"(I) a candidate or representative of a candidate receiving contributions to the candidate's principal campaign committee or authorized committee;

"(II) a professional fundraiser compensated for fundraising services at the usual and customary rate, but only if the individual is not described in subparagraph (B)(ii);

"(III) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(B), but only if the individual is not described in subparagraph (B)(ii); or

"(IV) an individual who transmits a contribution from the individual's spouse.

"(ii) The term 'representative' means an individual who is expressly authorized by the candidate to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not described in subparagraph (B)(ii).

"(iii) The term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting.

Such term does not include contributions made, or arranged to be made, by reason of an oral or written communication by a Federal candidate or officeholder expressly advocating the nomination for election, or election, of any other Federal candidate and encouraging the making of a contribution to such other candidate.

"(iv) The term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(VI):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient.".

(b) PROHIBITION ON 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) An individual who is described in section 315(a)(8)(B)(ii)(V) shall not make contributions to, or solicit contributions on behalf of—

"(A) any Member of Congress with respect to whom such individual has, during the preceding 12 months, either appeared before, or made a lobbying contact with, in such individual's representational capacity, or

"(B) any authorized committee of the President of the United States if, during the preceding 12 months, such individual has either appeared before, or made a lobbying contact with, a covered executive branch official.

"(2) An individual who is described in section 315(a)(8)(B)(ii)(V) who has made any contribution to, or solicited contributions on behalf of, any Member of Congress (or any authorized committee of the President of the United States) shall not, during the 12 months following such contribution or solicitation, either appear before, or make a lobbying contact with, such Member (or a covered executive branch official) in such individual's representational capacity.

"(3) For purposes of this subsection, 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.".

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 401(b), is amended by adding at the end the following new subsection:

"(n) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.".

SEC. 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) Notwithstanding paragraph (5)(B), a candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee), if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.".

SEC. 404. CONTRIBUTIONS AND EXPENDITURES USING MONEY SECURED BY PHYSICAL FORCE OR OTHER INTIMIDATION.

Title III of FECA, as amended by section 707, is amended by adding at the end the following new section:

"CONTRIBUTIONS AND EXPENDITURES USING MONEY SECURED BY PHYSICAL FORCE OR OTHER INTIMIDATION

"SEC. 326. It shall be unlawful for any person to—

"(1) cause another person to make a contribution or expenditure by using physical force, job discrimination, financial reprisals, or the threat of physical force, job discrimination, or financial reprisal; or

"(2) make a contribution or expenditure utilizing money or anything of value secured in the manner described in paragraph (1).".

SEC. 405. PROHIBITION OF ACCEPTANCE BY A CANDIDATE OF CASH CONTRIBUTIONS FROM ANY ONE PERSON AGGREGATING MORE THAN $100.

Section 321 of FECA (2 U.S.C. 441g) is amended by inserting ", and no candidate or authorized committee of a candidate shall accept from any one person," after "make".

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2) through (7) of section 304(b) of FECA (2 U.S.C. 434(b)(2)–(7)), as amended by section 315(d), are amended by inserting after "calendar year" each place it appears the following: "(election cycle, in the case of an authorized committee of a candidate for Federal office)".

SEC. 502. PERSONAL AND CONSULTING SERVICES.

(a) REPORTING BY POLITICAL COMMITTEES.—Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his or her authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

(b) RECORDKEEPING AND REPORTING BY PERSONS TO WHOM EXPENDITURES ARE PASSED THROUGH.—Section 302 of FECA (2 U.S.C. 432) is amended by adding at the end the following new subsection:

"(j) The person described in section 304(b)(5)(A) who is providing personal or consulting services and who is in turn making expenditures to other persons (not including employees) for goods or services provided to a candidate shall maintain records of and shall provide to a political committee the information necessary to enable the political committee to report the information described in section 304(b)(5)(A).".

SEC. 503. COMPUTERIZED INDICES OF CONTRIBUTIONS.

Section 311(a) of FECA (2 U.S.C. 438(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) maintain computerized indices of contributions of $200 or more.".

SEC. 504. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 302(g) of FECA (2 U.S.C. 432(g)) is amended by adding at the end the following new paragraph:

"(6)(A) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations under which persons required to file designations, statements, and reports under this Act—

"(i) are required to maintain and file them for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of $100,000 during the current calendar year, and

"(ii) may maintain and file them in that manner if not required to do so under clause (i).

"(B) The Commission, in consultation with the Secretary of the Senate and the Clerk of the House of Representatives, shall prescribe regulations which allow persons to file designations, statements, and reports required by this Act through the use of facsimile machines.

"(C) In prescribing regulations under this paragraph, the Commission shall provide methods (other than signing) for verifying designations, statements, and reports covered by the regulations. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.

"(D) The Commission shall ensure that any computer (or other) system developed and maintained by the Commission to receive designations, statements, and reports in the forms required or permitted under this paragraph are compatible with the systems of the Secretary of the Senate and the Clerk of the House of Representatives.".

SEC. 505. POLITICAL COMMITTEES.

Section 303(b) of FECA (2 U.S.C. 433(b)) is amended—

(1) in paragraph (2), by inserting ", and if the organization or committee is incorporated, the State of incorporation" after "committee",

(2) by striking the "name and address of the treasurer" in paragraph (4) and inserting "the names and addresses of the officers", and

(3) by striking "and" at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting "; and", and by adding at the end the following new paragraph:

"(7) a statement of the purpose for which the political committee was formed.".

TITLE VI—FEDERAL ELECTION COMMISSION

SEC. 601. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name, or

"(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 602. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end;

(2) in subparagraph (B) by striking the period at the end and inserting "; and"; and

(3) by inserting the following new subparagraph at the end:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.".

(b) FILING DATE.—(1) Section 304(a)(3) (A)(i) and (B)(i) of FECA (2 U.S.C. 434(a)(3) (A)(i) and (B)(i)) are amended by striking "20th" and inserting "15th".

(2) Section 304(a)(4) of FECA (2 U.S.C. 434(a)(4)) is amended—

(A) in subparagraph (A)(i) by inserting ", and except that if at any time during the election year a committee receives contributions in excess of $100,000 ($10,000 in the case of a multicandidate political committee), or makes disbursements in excess of $100,000 ($10,000 in the case of a multicandidate political committee), monthly reports on the 15th day of each month after the month in which that amount of contributions is first received or that amount of disbursements is first anticipated to be made during that year" before the semicolon; and

(B) in subparagraph (B) by striking "20th" and inserting "15th".

(c) INCOMPLETE OR FALSE CONTRIBUTOR INFORMATION.—Section 302(i) of FECA (2 U.S.C. 432(i)) is amended—

(1) by striking "submit" and inserting "report"; and

(2) by adding the following at the end: "In the case of a contribution required to be reported under section 304(b)(3)(A), the contribution shall not be used by the political committee to make an expenditure until the political committee has obtained all of the information that is required to be reported.".

(d) WAIVER.—Section 304 of FECA (2 U.S.C. 434), as amended by section 315(c), is amended by adding at the end the following new subsection:

"(g) WAIVER.—The Commission may relieve any category of political committees of the obligation to file 1 or more reports required by this section, or may change the due dates of such reports, if it determines that such action is consistent with the purposes of this Act. The Commission may waive requirements to file reports in accordance with this subsection through a rule of general applicability or, in a specific case, may waive or change the due date of a report by notifying all political committees affected.".

SEC. 603. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed.".

(b) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence; and

(2) by striking the third sentence.

SEC. 604. ENFORCEMENT.

(a) IN GENERAL.—Section 309 of FECA (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) by amending paragraph (2) to read as follows:

"(2)(A)(i) If the Commission, upon receiving a complaint under paragraph (1) or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, agrees, by an affirmative vote of 3 of its members, with the General Counsel's recommendation that facts have been alleged or ascertained that, if true, give reason to investigate whether a violation of this Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1986 has occurred or is about to occur, the Commission shall, through its Chairman or Vice Chairman, notify the person of the alleged violation. The General Counsel may make an investigation of the alleged violation, which may include a field investigation or audit, in accordance with this section.

"(ii) If the General Counsel recommends that the Commission find no reason to believe an alleged violation has occurred and the Commission rejects that recommendation by an affirmative vote of 4 of its members, the Commission shall notify the person of the alleged violation and shall direct the General Counsel to make an investigation in accordance with clause (i).

"(B)(i) Notwithstanding section 307, in an investigation conducted under this section, the General Counsel shall have the powers provided in section 307(a) (2), (3), (4), and (5), including the power to issue subpoenas signed by the General Counsel.

"(ii) A person to whom a subpoena is directed by the General Counsel may file a motion to quash or modify the subpoena with the Commission prior to the time specified therein for compliance, but in no case more than 5 days after receipt of such subpoena. The Commission may determine, on an affirmative vote of 4 of its members, to quash or modify the subpoena at issue.";

(B) by adding at the end of paragraph (4)(A) the following new clauses:

"(iii) In a case initiated by a complaint under paragraph (1), if the General Counsel recommends that the Commission find probable cause to believe that a person has committed, or is about to commit, a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986, and the Commission fails to sustain or reject the General Counsel's recommendation, or any portion thereof, by an affirmative vote of 4 of its members, the complainant may bring a civil action in any district court of the United States described in paragraph (6)(A) in the name of the complainant to remedy the violation alleged in the complaint on which the Commission failed to achieve 4 votes.

"(iv) In a civil action brought by a complainant under subparagraph (iii), the court may grant a permanent or temporary injunction, restraining order, or other order, including a civil penalty that does not exceed the maximum amount permitted under paragraph (6)(B). A prevailing complainant shall be awarded an amount deemed appropriate by the court, but in no case more than 10 percent of the proceeds, which shall be paid out of the proceeds. The complainant shall also be awarded an amount for reasonable expenses that the court finds to have been necessarily incurred, plus reasonable attorneys' fees, and costs. All such expenses, fees and costs shall be awarded against the defendant."; and

(C) by adding at the end the following new paragraph:

"(14) Nothing in this subsection shall be construed to limit the ability of the Commission to determine at any time to take no further action in a proceeding under this subsection."; and

(2) by adding at the end the following new subsection:

"(e)(1) A complaint filed under subsection (a)(1) shall be, to the best of the signer's knowledge, information, and belief (formed after reasonable inquiry), well grounded in fact and warranted by a Commission regulation or decisional precedent or a good faith argument for the extension, modification, or reversal of existing law, and shall not be interposed for any improper purpose, such as to harass or to cause any unnecessary delay or needless increase in the cost of litigation.

"(2) If the Commission determines, on its own motion or on the basis of a complaint, that a complaint fails to meet the requirements of paragraph (1), it may proceed against the complainant in accordance with this section. In such a case, a conciliation agreement entered into by the Commission under paragraph (4)(A) may include a requirement that a party to the conciliation agreement pay a civil penalty not to exceed $20,000.".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B)(i) If the complaint in a proceeding was filed within 60 days immediately preceding a general election, the Commission may take action described in this subparagraph.

"(ii) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to it, that there is clear and convincing evidence that a violation of this Act or of chapter 95 or 96 of the Internal Revenue Code of 1986 has occurred, is occurring, or is about to occur and it appears that the requirements for relief stated in subparagraph (A) (ii), (iii), and (iv) are met, the Commission may—

"(I) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(II) if the Commission determines that there is insufficient time to conduct proceedings before the election, immediately seek relief under subparagraph (A).

"(iii) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to it, that the complaint is clearly without merit, the Commission may—

"(I) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(II) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.

"(C) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found or in which the violation is occurring, has occurred, or is about to occur.".

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

(c) REFERRAL OF APPARENT VIOLATIONS TO THE ATTORNEY GENERAL.—Section 309(a)(5)(C) of FECA (2 U.S.C. 437g(a)(5)(C)) is amended by adding the following at the end: "The preceding sentence shall not be construed to detract from the general authority of the Commission under section 307(a)(9) to refer an apparent violation of law, including a violation of this Act, to the Attorney General at any time without making a finding of probable cause.".

(d) FAILURE TO PRESENT MATTER BEFORE THE COMMISSION.—Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) In a proceeding before a district court or court of appeals in which there is under review a decision of the Commission made in a proceeding under this section, the court shall not consider an argument, objection, issue, or other matter that was not presented to the Commission, but if the court finds that there was good cause for the failure to present the matter to the Commission, the court may remand the proceeding to the Commission for consideration of the matter.".

(e) REPRESENTATION OF THE COMMISSION IN COURT.—Section 306(f)(4) of FECA (2 U.S.C. 437c(f)(4)) is amended by adding at the end thereof the following: "The Commission may appear and submit briefs as amicus curiae in a proceeding a decision in which may affect the administration of this Act even though the proceeding may not arise under this Act or require interpretation or application of this Act. In any proceeding in which the Commission appears under authority of this paragraph or section 309, the Commission and its attorneys may be required to comply with local court rules, except that the Commission shall not be required to appear by local counsel.".

SEC. 605. PENALTIES.

(a) PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation." and inserting "which—

"(i) is not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) does not exceed the greater of $5,000 or all contributions and expenditures involved in the violation.".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation." and inserting "which—

"(i) is not less than all contributions and expenditures involved in the violation; and

"(ii) does not exceed the greater of $10,000 or 150 percent of all contributions and expenditures involved in the violation.".

(b) PENALTIES WHEN VIOLATIONS ARE ADJUDICATED IN COURT.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (B) or (C) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found or in which the violation occurred.".

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which—

"(i) is not less than all contributions and expenditures involved in the violation; and

"(ii) does not exceed the greater of $10,000 or 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.".

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which—

"(i) is not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) does not exceed the greater of $20,000 or 250 percent of all contributions and expenditures involved in the violation.".

SEC. 606. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986 or to an authorized committee of an eligible Senate candidate subject to audit under section 505(a).".

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of FECA (2 U.S.C. 438(b)) is amended by striking "6 months" and inserting "12 months".

SEC. 607. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting after "SEC. 322." the following: "(a)"; and

(2) by adding at the end the following:

"(b) No person shall solicit contributions by falsely representing himself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 608. REGULATIONS RELATING TO USE OF NON-FEDERAL MONEY.

Section 306 of FECA (2 U.S.C. 437c) is amended by adding at the end the following new subsection:

"(g) The Commission shall promulgate regulations to prohibit devices or arrangements which have the purpose or effect of undermining or evading the provisions of this Act restricting the use of non-Federal money to affect Federal elections.".

SEC. 609. SIMULTANEOUS REGISTRATION OF CANDIDATE AND CANDIDATE'S PRINCIPAL CAMPAIGN COMMITTEE.

Section 303(a) of FECA (2 U.S.C. 433(a)) is amended in the first sentence by striking "no later than 10 days after designation" and inserting "on the date of its designation".

SEC. 610. REIMBURSEMENT FUND.

Section 311 of FECA (2 U.S.C. 438) is amended by adding at the end thereof the following new subsection:

"(g)(1) There is established in the Treasury of the United States a Federal Election Commission Reimbursement fund (referred to in this subsection as the "fund").

"(2) There shall be credited to the fund an amount equal to—

"(A) the expenses of the Commission incurred in preparing copies of documents, publications, computer tapes, and other forms of records sold to the public;

"(B) the expenses of the Commission incurred in responding to requests for records under section 552 of title 5, United States Code; and

"(C) costs awarded to the Commission in litigation.

"(3) Amounts credited to the fund shall be available without fiscal year limitation to the Commission, in addition to amounts otherwise appropriated to the Commission, for

the purpose of paying the expenses of the Commission in providing records to the public as described in subparagraphs (A) and (B) and in providing at no charge to the public informational publications designed to assist candidates, political committees, and other persons in complying with this Act.".

SEC. 611. INSOLVENT POLITICAL COMMITTEES.

Section 303(d) of FECA (2 U.S.C. 433(d)) is amended by adding at the end the following new paragraph:

"(3) Proceedings by the Commission under paragraph (2) constitute the sole means, to the exclusion of proceedings under title 11, United States Code, by which a political committee that is determined by the Commission to be insolvent may compromise its debts, liquidate its assets, and terminate its existence.".

TITLE VII—MISCELLANEOUS

SEC. 701. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of FECA (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee."; and

(2) by adding at the end the following new paragraph:

"(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, finance, maintain, or control any Federal or non-Federal political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office. This paragraph shall not preclude a Federal officeholder who is a candidate for State or local office from establishing, financing, maintaining, or controlling a political committee for election of the individual to such State or local office.

"(B) For one year after the effective date of this paragraph, any political committee established before such date but which is prohibited under subparagraph (A) may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.".

SEC. 702. POLLING DATA CONTRIBUTED TO CANDIDATES.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 315(b), is amended by inserting at the end the following new subparagraph:

"(D) A contribution of polling data to a candidate shall be valued at the usual and normal charge for the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 703. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end the following new paragraph:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are receiving payments under section 9003 of the Internal Revenue Code of 1986 from the Secretary of the Treasury shall refund such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 3 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are receiving payments under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are receiving payments under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) not receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under that section.".

SEC. 704. TELEPHONE VOTING BY PERSONS WITH DISABILITIES.

(a) STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.—

(1) IN GENERAL.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(2) CONSULTATION.—The Federal Election Commission shall conduct the study described in paragraph (1) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(3) CRITERIA.—The system or systems developed pursuant to paragraph (1) shall—

(A) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(B) propose procedures to identify persons who are so disabled; and

(C) describe procedures and equipment that may be used to ensure that—

(i) only those persons who are entitled to use the system are permitted to use it;

(ii) the votes of persons who use the system are recorded accurately and remain secret;

(iii) the system minimizes the possibility of vote fraud; and

(iv) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(4) REQUESTS FOR PROPOSALS.—In developing a system described in paragraph (1), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(5) PHYSICAL ACCESS.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(6) DEADLINE.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the effective date of this Act.

SEC. 705. PROVISIONS RELATING TO PRESIDENTIAL PRIMARY ELECTIONS.

(a) LIMITATION ON PRESIDENTIAL PRIMARY EXPENDITURES.—Section 315(b)(1)(A) of FECA (2 U.S.C. 441a(b)(1)(A)) is amended to read as follows:

"(A) $12,000,000, in the case of a campaign for nomination for election to such office; or".

(b) MINIMUM CONTRIBUTIONS.—Section 9033(b)(3) of the Internal Revenue Code of 1986 is amended—

(1) by striking "$5,000" and inserting "$15,000"; and

(2) by striking "20 States" and inserting "26 States".

(c) CONFORMING AMENDMENT.—Clause (vi) of section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)(vi)) is hereby repealed.

SEC. 706. CERTAIN TAX-EXEMPT ORGANIZATIONS NOT SUBJECT TO CORPORATE LIMITS.

Section 316 of FECA (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

"(c) PROHIBITIONS NOT TO APPLY TO INDEPENDENT EXPENDITURES OF CERTAIN TAX-EXEMPT ORGANIZATIONS.—(1) Nothing in this section shall preclude a qualified nonprofit corporation from making independent expenditures (as defined in section 301(17)).

"(2) For purposes of this subsection, the term 'qualified nonprofit corporation' means a corporation exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 which is described in section 501(c)(4) of such Code and which meets the following requirements:

"(A) Its only express purpose is the promotion of political ideas.

"(B) It cannot and does not engage in any activities that constitute a trade or business.

"(C) Its gross receipts for the calendar year have not (and will not) exceed $100,000, and the net value of its total assets at any time during the calendar year do not exceed $250,000.

"(D) It was not established by a person described in section 501(c)(6) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of such Code, a corporation engaged in carrying out a trade or business, or a labor organization, and it cannot and does not directly or indirectly accept donations of anything of value from any such person, corporation, or labor organization.

"(E) It—

"(i) has no shareholder or other person affiliated with it that could make a claim on its assets or earnings, and

"(ii) offers no incentives or disincentives for associating or not associating with it other than on the basis of its position on any political issue.

"(3) If a major purpose of a qualified nonprofit corporation is the making of independent expenditures, and the requirements of section 301(4) are met with respect to the corporation, the corporation shall be treated as a political committee.

"(4) All solicitations by a qualified nonprofit corporation shall include a notice informing contributors that donations may be used by the corporation to make independent expenditures.

"(5) A qualified nonprofit corporation shall file reports as required by section 304 (c) and (d).

SEC. 707. AIDING AND ABETTING VIOLATIONS OF FECA.

Title III of FECA, as amended by section 313, is amended by adding at the end the following new section:

"AIDING AND ABETTING VIOLATIONS

"SEC. 325. With reference to any provision of this Act that places a requirement or prohibition on any person acting in a particular capacity, any person who knowingly aids or abets the person in that capacity in violating that provision may be proceeded against as a principal in the violation.".

SEC. 708. DEPOSIT OF REPAYMENTS OF EXCESS PAYMENTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Subsection (d) of section 9007 of the Internal Revenue Code of 1986 (relating to examinations, audits, and repayments) is amended to read as follows:

"(d) DEPOSIT OF REPAYMENTS.—All payments received by the Secretary under this section shall be deposited in the fund.".

SEC. 709. DISQUALIFICATION FROM RECEIVING PUBLIC FUNDING FOR PRESIDENTIAL ELECTION CAMPAIGNS.

(a) GENERAL ELECTION.—Section 9003 of the Internal Revenue Code of 1986 (relating to condition for eligibility to receive payments) is amended by adding at the end the following new subsection:

"(e) DISQUALIFICATION.—A person who has been convicted of a violation of this chapter or chapter 96 shall be ineligible to receive benefits under this chapter on and after the date of the conviction.".

(b) PRIMARY ELECTION.—Section 9033 of the Internal Revenue Code of 1986 (relating to condition for eligibility to receive payments) is amended by adding at the end the following new subsection:

"(d) DISQUALIFICATION.—A person who has been convicted of a violation of this chapter or chapter 95 shall be ineligible to receive benefits under this chapter on and after the date of the conviction.".

SEC. 710. PROHIBITION OF CONTRIBUTIONS TO PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FUNDING IN THE GENERAL ELECTION CAMPAIGN.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 402, is amended by adding at the end the following new subsection:

"(o) Except to the extent permitted under sections 9003 (b)(2) and (c)(2) of the Internal Revenue Code of 1986, no person shall make a contribution to a candidate who has become eligible to receive benefits under chapter 95 of such Code by making a certification described in section 9003 (b) and (c) of such Code.".

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 801. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1995.

SEC. 802. BUDGET NEUTRALITY.

(a) DELAYED EFFECTIVENESS.—The provisions of this Act (other than this section) shall not be effective until the Director of the Office of Management and Budget certifies that the estimated costs under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 have been offset by the enactment of legislation effectuating this Act.

(b) FUNDING.—Legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal Programs, or increase the Federal budget deficit, but shall provide that the legislation be funded by imposing a Federal income tax at the top corporate rate on political committees of candidates who do not abide by the Federal campaign spending limits.

SEC. 803. SEVERABILITY.

Except as provided in section 101(c), if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 804. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court finding any provision of this Act, or amendment made by this Act, to be unconstitutional.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 805. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out the provisions of this Act within 9 months after the effective date of this Act.

DOMENICI (AND OTHERS) AMENDMENT NO. 454

Mr. DOMENICI (for himself, Mr. COHEN, and Mr. NICKLES) 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. .

Title III of FECA (2 U.S.C. 301 et seq.), as amended by section , is amended by adding at the end the following new section:

"OUT-OF-STATE CONTRIBUTIONS

"SEC . (a) CONTRIBUTION LIMIT.—The aggregate amount of funds that may be accepted during an election cycle by a candidate for the Senate or House of Representatives or the candidate's authorized committees from individuals, separate segregated funds, and multicandidate political committees that do not reside or have their headquarters within the candidate's State shall not exceed 40 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees.

"(b) EXPENDITURES FROM PERSONAL FUNDS OF A CANDIDATE IN EXCESS OF $25,000.—Notwithstanding any other law, in an election in which the aggregate amount of expenditures made by an eligible Senate candidate or an opponent of an eligible Senate candidate and the candidate's authorized committees using funds derived from sources described in section 502(a)(2) exceeds $25,000—

"(1) any restriction on the amount of contributions that a candidate may accept from out-of-State sources under any provision of law shall not apply to the opponents of that candidate;

"(2) the limitation on the amount of contributions that an individual may make to each of the opponents of that candidate under section 315(a)(1) shall be increased to $10,000; and

"(3) expenditures using funds derived from contributions received by virtue of paragraphs (1) and (2) shall not be counted for the purposes of the general election expenditure limit under section 502(b).".

PELL AMENDMENT NO. 455

(Ordered to lie on the table.)

Mr. PELL submitted an amendment intended to be proposed by him to amendment No. 366 (in the nature of a substitute) to the bill (S. 3), supra, as follows:

At the end of title VIII of Amendment No. 366, add the following new section:

SEC. . FREE BROADCAST TIME AND DISSEMINATION OF POLITICAL INFORMATION.

(a) AVAILABILITY OF FREE BROADCAST TIME.—Title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by inserting after section 315 the following new section:

"FREE BROADCAST TIME FOR SENATE CANDIDATES

"SEC. 315A. (a) In addition to broadcast time that a licensee makes available to a candidate under section 315(a), a television station licensee shall make available at no charge, for allocation to Senate candidates within its broadcast area under section 603 of the Federal Election Campaign Act of 1971, 3 hours of broadcast time during a prime time access period described in section 601 of that Act to each Senatorial campaign committee designated under section 602 of that Act.

"(b) An appearance by a candidate on a news or public service program at the invitation of a television station or other organization that presents such a program shall not be counted toward time made available pursuant to subsection (a).".

(b) "ALLOCATION BY SENATORIAL CAMPAIGN COMMITTEES.—The Federal Election Campaign Act of 1971 (2 U.S.C. 301 et seq.) is amended by adding at the end thereof the following new title:

"TITLE VI—DISSEMINATION OF POLITICAL INFORMATION

"SEC. 601. DEFINITIONS.

"For the purposes of this title—

"(1) the term 'free broadcast time' means time provided by a television station during a prime time access period pursuant to section 315A of the Communications Act of 1934.;

"(2) the term 'major party' means a political party whose candidate the Senate in a State placed first or second in the number of popular votes received in either of the 2 most recent general elections;

"(3) the term 'minor party' means a political party other than a major party—

"(A) whose candidate for the Senate in a State received more than 5 percent of the popular vote in the most recent general election; or

"(B) which files with the Commission, not later than 90 days before the date of a general or special election in a State, the number of signatures of registered voters in the State that is equal to 5 percent of the popular vote for the office of Senator in the most

recent general or special election in the State;

"(4) the term 'prime time access period' means the time between 7:30 p.m. and 8:00 p.m. of a weekday during the period beginning on the date that is 60 days before the date of a general election or special election for the Senate and ending on the day before the date of the election; and

"(5) the term 'Senatorial campaign committee' means the committee of a political party designated under section 602.

"SEC. 602. DESIGNATION OF SENATORIAL CAMPAIGN COMMITTEES.

"(a) APPLICATION.—(1)(A) The national committee of a major party or minor party that has established a committee for the specific purpose of providing support to candidates for the Senate may file with the Commission an application for designation of that committee as the Senatorial campaign committee of that political party for the purposes of this title.

"(B) The national committee of a major party or minor party that has not established a committee for the specific purpose of providing support to candidates for the Senate may file with the Commission an application for designation of the national committee as the Senatorial campaign committee of that political party for the purpose of this title.

"(2) An application under paragraph (1) shall be in such form as the Commission may require and shall include a certification by the applicant that the Senatorial campaign committee will—

"(A) allocate free broadcast time in accordance with section 603 to candidates for the Senate in general and special elections in which at least 1 other candidate for the Senate have qualified for the general election ballot;

"(B) keep and furnish to the Commission any books, records, or other information it may request; and

"(C) cooperate in any audit by the Commission.

"(b) APPROVAL.—The Commission shall determine whether to approve or deny an application under this section not later than 7 days after receipt.

"(c) HEARING ON DISAPPROVAL.—If the Commission makes a determination to deny an application under this section, the applicant shall be afforded a hearing with respect to the determination in accordance with section 554 of title 5, United States Code.

"SEC. 603. ALLOCATION AND USE OF FREE BROADCAST TIME.

"(a) ALLOCATION.—A Senatorial campaign committee of a political party shall allocate free broadcast time made available by a television station licensee under section 315A of the Communications Act of 1934 among the candidates of that party for the Senate in the licensee's broadcast area who have qualified as eligible Senate candidates under title V.

"(b) USE.—A Senatorial campaign committee shall ensure that—

"(1) free broadcast time is used in a manner that promotes a rational discussion and debate of issues with respect to the elections involved;

"(2) in programs in which free broadcast time is used, not more than 25 percent of the time of the broadcast shall consist of presentations other than a candidate's own remarks;

"(3) free broadcast time is used in segments of not less than 1 minute; and

"(4) not more than 15 minutes of free broadcast time is used by any 1 candidate in a 24-hour period.

"SEC. 604. REPORTS TO CONGRESS.

"The Commission shall submit to Congress, not later than June 1 of each year that follows a year in a general election for the Senate is held, a report setting forth the amount of free broadcast time allocated to candidates under section 603.

"SEC. 605. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) IN GENERAL.—The Commission may appear in any action filed under this section, 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 title III of chapter 53 of that title.

"(b) ENFORCEMENT.—The Commission may petition a district court of the United States for declaratory or injunctive relief concerning any civil matter arising under this title, through attorneys and counsel described in subsection (a).

"(c) APPEALS.—The Commission may, on behalf of the United States, appeal from, and petition the Supreme Court of the United States for certiorari to review, a judgment or decree entered with respect to an action in which it appeared pursuant to this section.".

(c) CONTINGENCY REGARDING TAX DEDUCTIBILITY.—This section shall become effective upon enactment of legislation to permit television station licensees to claim deductions from corporate income taxes for time made available pursuant to the amendment made by subsection (a), calculated on the basis of the lowest charge of the station for the same amount of time for the same period on the same date.

Mr. PELL. Mr. President, the amendment I am offering would provide an alternative to the provision of S. 3 which would give eligible candidates vouchers for broadcast time, to be redeemed by the Federal Treasury. My approach differs in that broadcasters would be required to provide limited time for political campaigns as a public service, without direct reimbursement from public funds.

The amendment requires TV stations—as a condition of their license to use public airwaves—to provide time for campaign use to the national committees of the political parties, which would in turn allocate the time to eligible candidates for the Senate. Minor parties showing support of at least 5 percent of the electorate would also be eligible to participate.

I believe my approach is particularly appropriate in this time of austerity, because it is essentially a no-cost proposal, insofar as there would be no direct public subsidy involved. The basic commodity of the amendment is an existing public resource—namely the airwaves—which the Congress can properly require to be used for political debate.

I recognize that my proposal would cause some pain—in this case to the broadcast industry, which may lose some of the revenues usually generated by Senate campaigns. But I would suggest, in the spirit of President Clinton's call for mutual sacrifice, that this is a relatively modest and very appropriate burden for the industry to bear—particularly since it is in the interest of serving the democratic process.

In the interest of fairness to the industry, I have added a contingency provision which would allow tax deductibility to broadcasters for any free time provided by terms of the amendment. To honor the constitutional precedence of the House of Representatives in tax matters, the contingency provision in my amendment simply states that the amendment shall only become effective upon enactment of legislation to permit television station licensees to claim deductions from corporate income taxes for time made available pursuant to the amendment.

I repeat: This amendment would become effective only at such time as followup legislation is enacted to provide tax deductibility to broadcasters for the value of the time granted.

I would note that my proposal is in no way restrictive of present campaign practices with respect to the purchase of broadcast time. Any candidate, whether or not a recipient of free time under the bill, is still at liberty to go out and purchase as much additional media time as he or she can afford and needs. Hopefully, however, the substantial infusion of free time provided by the bill will significantly reduce campaign expenditures for such media purchases.

The basic scheme of the amendment is that free broadcast time would be made available upon application to the national parties, which in turn would assign to their respective senatorial campaign committees the task of allocating time to those candidates who can best benefit from the media exposure. This scheme of allocation is designed to provide an orderly distribution of time to candidates and hopefully a more reasonable allocation of burden to broadcasters than would otherwise occur, particularly in metropolitan areas where Senate candidates from more than one State may be competing for time.

Committees receiving free broadcast time may use up to 15 minutes per day, up to a limit of 3 hours on any one station during the 60-day period immediately preceding a general or special election. The bill does not apply to primaries. And time can only be allocated to candidates who are qualified to receive benefits under S. 3—that is, candidates who have made a commitment to be bound by spending limits.

All time is to be provided during the so-called prime time access period, from 7:30 to 8 p.m. local time, each weekday evening. This is a time period which local stations are supposed to use for community-oriented programming, but which in practice is not always well used.

The free time must be used in a manner which promotes a rational discussion and debate of issues pertinent to the election involved. At least 75 percent of the time must be taken up by a candidate's own remarks. In this way, I believe the bill provides a positive alternative to negative campaign ads without in any way imposing limits on present practices.

Studies of recent elections have shown that as much as 40 percent of all political campaign expenditures—and up to 75 percent in some media markets—are spent on media advertising. If we are truly concerned about curbing the cost of campaigning, it makes sense to use an available public resource to substitute for this major category of expenditure.

Mr. President, as President Clinton has reminded us, passage of a real campaign finance reform bill is one way to restore lagging public confidence in the institutions of Government. In this context, I offer my amendment as a constructive scheme for reducing campaign costs, and I urge its acceptance.

JEFFORDS AMENDMENTS NOS. 456–457

Mr. JEFFORDS proposed two amendments to amendment No. 366 (in the nature of a substitute) to the bill (S. 3) supra, as follows:

AMENDMENT NO. 456

On page 94, between lines 14 and 15, insert:

Subtitle C—Soft Money of Persons Other Than Political Parties

SEC. 321. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

Section 304 of FECA (2 U.S.C. 434), as amended by section 602(d), is amended by adding at the end thereof the following new subsection:

"(h) ELECTION ACTIVITY OF PERSONS OTHER THAN POLITICAL PARTIES.—(1)(A) If any person to which section 324 does not apply makes (or obligates to make) disbursements for activities described in section 324(b) in excess of $2,000, such person shall file a statement—

"(i) on or before the day which is 48 hours before the disbursements (or obligations) are made, or

"(ii) in the case of disbursements (or obligations) which are to be made within 14 days of the election, on or before such 14th day.

An additional statement shall be filed each time additional disbursements aggregating $2,000 are made (or obligated to be made) by such person.

"(B) This paragraph shall not apply to—

"(i) a candidate or a candidate's authorized committees, or

"(ii) an independent expenditure (as defined in section 301(17)).

"(2) Any statement under this section shall be filed with the Secretary of the Senate or the Clerk of the House of Representatives, and the Secretary of State of the State involved, as appropriate, and shall contain such information as the Commission shall prescribe, including whether the disbursement is in support of, or in opposition to, 1 or more candidates or any political party. The Secretary of the Senate or Clerk of the House of Representatives shall, as soon as possible (but not later than 24 hours after receipt), transmit a statement to the Commission and the Commission shall, not later than 48 hours after receipt, transmit it—

"(A) to the candidates or political parties involved, or

"(B) if the disbursement is not in support of, or in opposition to, a candidate or political party, to the State committees of each political party in the State involved.

"(3) The Commission may make its own determination that disbursements described in paragraph (1) have been made or obligated to be made. The Commission shall notify the candidates or political parties described in paragraph (2) within 24 hours of its determination."

AMENDMENT NO. 457

On page 83, between lines 23 and 24, insert:

"(f) SOFT MONEY RESPONSE FUNDS.—(1) The national committee of any political party may establish a separate fund for purposes of this subsection. Such fund shall consist of contributions described in section 315(p).

"(2) If a candidate or political party is notified under section 304(h) that a person is making disbursements in opposition to a candidate of the political party, or in opposition to such political party, in a State, the national committee may, from the amounts in the fund established under paragraph (1)—

"(A) transfer funds to the State Party Grassroots Fund in such State,

"(B) in the case of funds in opposition to a candidate, transfer funds to an authorized committee of such candidate, or

"(C) transfer funds both as provided in subparagraph (A) and (B).

The aggregate amounts which may be transferred under this paragraph in response to any notification shall not exceed the amount of disbursements specified in such notice.

(3) Any amount transferred under paragraph (2) (and any amount expended by the State Party Grassroots Fund or the candidate's authorized committees from such amount)—

"(A) shall not be treated as an expenditure for purposes of applying any expenditures limit applicable to the candidate under title V, and

"(B) shall not be taken into account in applying the limit under section 315(d)(3) for expenditures by a political party or committees thereof on behalf of a candidate."

On page 88, between lines 13 and 14, insert:

(e) COUNTRIBUTIONS TO RESPONSE FUNDS.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 710, is amended by adding at the end the following new subsection:

"(p) CONTRIBUTIONS TO RESPONSE FUNDS.—(1) An individual may make contributions to a response fund established by a political party under section 324(f) which, in the aggregate, do not exceed $12,500 for any calendar year. For purposes of the preceding sentence, contributions during the calendar year preceding the calendar year in which an election occurs shall be treated as made in the year in which the election occurs.

"(2) Any contribution under paragraph (1) shall not be taken into account for purposes of subsection (a) (1)(B) or (3)."

McCONNELL AMENDMENT NO. 458

(Ordered to lie on the table.)

Mr. McCONNELL submitted an amendment intended to be proposed by him to amendment No. 366 (in the nature of a substitute) to the bill (S. 3), supra, as follows:

On page 111, strike line 7 and all that follows through page 119, line 24.

On page 120, line 1, strike "605." and insert "603.".

On page 122, line 9, strike "606." and insert "604.".

On page 123, line 7, strike "607." and insert "605.".

On page 123, line 16, strike "608." and insert "606.".

On page 124, line 1, strike "609." and insert "607.".

On page 124, line 8, strike "610." and insert "608.".

On page 125, line 8, strike "611." and insert "609.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON COMPETITIVENESS, CAPITAL FORMATION AND ECONOMIC OPPORTUNITY

Mr. BUMPERS. Mr. President, I would like to announce that the Subcommittee on Competitiveness, Capital Formation and Economic Opportunity of the Small Business Committee will hold a hearing on small business creation in enterprise zones. The hearing will occur on Friday, June 18, 1993, at 10 a.m., in room 428A of the Russell Senate Office Building. For further information, please call Ken Glueck of Senator LIEBERMAN's staff at 224–4041.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on June 15, 1993, at 10 a.m. on pending committee business.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, June 15, 1993, beginning at 9:30 a.m., in 485 Russell Senate Office Building, on the draft bill on Indian Fish and Wildlife Enhancement Act of 1993.

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

SUBCOMMITTEE ON NUCLEAR DETERRENCE, ARMS CONTROL AND DEFENSE INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Deterrence, Arms Control and Defense Intelligence of the Committee on Armed Services be authorized to meet at 9:30 a.m. on Tuesday, June 15, 1993, in closed session, to receive testimony on intelligence support to military operations in review of the Defense authorization request for fiscal year 1994 and the future years defense program.

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

SUBCOMMITTEE ON REGIONAL DEFENSE AND CONTINGENCY FORCES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Regional Defense and

Contingency Forces be authorized to meet on Tuesday, June 15, 1993, at 10:30 a.m., in open session, to receive testimony on Marine Corps programs in review of the Defense authorization request for fiscal year 1994 and the future years defense program.

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

ADDITIONAL STATEMENTS

THE LANDMINE MORATORIUM EXTENSION ACT

• Mr. LEAHY. Mr. President, later this month I will introduce legislation to extend for 3 years the U.S. moratorium on exports of antipersonnel landmines. Landmines are the leading cause of civilian casualties in conflicts around the world. Hundreds of thousands of innocent men, women, and children have lost their legs, arms, eyesight, or their lives from landmines. The United Nations estimates that there are 100 million unexploded landmines scattered throughout the world, most undetectable until it is too late.

When President Bush signed the moratorium into law, it had 35 cosponsors, Republicans and Democrats alike. Although the United States is not a major exporter of antipersonnel landmines, our purpose was to set an example for other countries. In the 8 months that have passed since then, the European Parliament has issued a resolution calling on its members to stop exporting landmines, the French Government has announced that it has ceased all sales and exports of antipersonnel landmines, and the French Government has requested the United Nations to schedule a conference to review and strengthen international limits on landmines.

Recently, the International Committee of the Red Cross, which for many years has worked to educate the world about the horrors of landmines and to get medical aid to landmine victims, sponsored a symposium on landmines in Montreux, Switzerland. Representatives from governments and nongovernmental organizations from around the world attended. It was the first event of its kind to begin to build support for a global campaign to limit the manufacture, sale and use of these insidious weapons.

Our own American Red Cross has supported efforts to assist landmine victims. After the Montreux symposium, Elizabeth Dole, president of the American Red Cross, issued an eloquent statement condemning the use of antipersonnel landmines, and I ask unanimous consent that her statement be printed in the RECORD.

The statement follows:

STATEMENT BY ELIZABETH DOLE ON THE USE OF ANTIPERSONNEL MINES

Elizabeth Dole, president of the American Red Cross issued the following statement today in support of the International Red Cross symposium on the use of antipersonnel mines:

"The American Red Cross joins with the International Committee of the Red Cross in condemning the pervasive horror in our world due to wanton and indiscriminate use of antipersonnel mines. The scale of human suffering caused by the senseless and inhumane use of landmines should not be tolerated by the international community. Each month, 800 people are killed and 450 people are injured by land mines. Little children are killed or maimed, long after the fighting, by landmines that are scattered like deadly toys where they live and play. The use of these weapons of terror is prohibited by international humanitarian law and immediate compliance must be demanded by all men and women of conscience."•

WIFE VISITS WASHINGTON

• Mr. BURNS. Mr. President, last week many of our Senate colleagues were visited by WIFE—Women in Farming Economics. WIFE is an organization of rural women deeply interested in agriculture. The group has been around for nearly 20 years, and its members have worked very hard to bring the everyday concerns of real people in rural America to the attention of our lawmakers.

Their goal is to improve the standard of living in rural America, and they have learned that what happens in Washington directly affects the lives of folks in our rural communities. Their message is one that we need to hear, and I would like to share with my colleagues a speech given by Joyce Spicher, WIFE's national president—and a resident of Hingham, MT—at a legislative breakfast last week.

I am particularly proud of Joyce. Not just because she is an outstanding representative of Montana, but also because she is an eloquent and articulate spokesperson for rural America. I ask that the speech given by Joyce Spicher be inserted in the RECORD, and I sincerely urge all my colleagues to listen to what she has to say.

The material follows:

LEGISLATIVE BREAKFAST, JUNE 8, 1993, WASHINGTON, DC

Welcome to the Eleventh Annual WIFE Legislative Breakfast. I'd like to thank each of you for coming and for your support of our efforts on behalf of American agriculture.

This breakfast is the beginning of a long day for WIFE members. We are here representing our grassroots membership at home. We will be visiting congressional delegations from our home States today, and dropping off informational packets in offices of member States not represented at this meeting. For some of our members this will be their 11th consecutive legislative breakfast and for 17, it will be a first experience. We also represent rural Americans who do not belong to WIFE, or write letters to their Congressmen, but want to improve living in rural America and support our efforts.

WIFE priorities for 1993 include farm profitability, private property rights, rural health care, and retention of the $600,000 estate tax exemption. These priorities are just a small portion of our work, because more and more we are finding that everything that happens in Washington affects our lives directly.

And not only in Washington, but across the country there seems to be inordinate numbers of people who seem to think they know what is good for us, our land, our communities. An amazing number of people actually make a living deciding what is best for others.

In the interest of time this morning, I'd like to talk about two of our priorities—to me these two issues are at the heart of all our problems and must be addressed before this country can begin to get back to prosperity.

Let's talk about private property rights and farm profitability.

Recently, I have decided that until this country gets it's priorities set, we will be in trouble. Think for a minute where we put our emphasis. We pay a professional athlete more for one ball game than we pay a teacher for a year of teaching our children—our most precious resources. We are more than willing to pay a plumber twice as much to repair our toilet than we are willing to pay a nurse to administer kidney dialysis on a human being. We have three times the number of animal shelters in this country than we have safe houses for spouse abuse. Smoking is socially unacceptable and at the same time we advocate safe sex for teens! Does something seem a little out of kilter to you?

Until we can get our ducks in a row, we are going to continue to see items like these taken from recent newspapers in Montana.

A headline proclaims—"judge says grizzlies have 'people rights'."

The article goes on to say that rancher John Shuler of Choteau shot the grizzly in 1989 after he found three grizzly bears in his sheep pen. He fired shots to frighten the bears away, but when a fourth grizzly reared up behind him, he shot the bear because he thought it was going to attack him. The grizzly is protected under the Endangered Species Act. The judge said the "self defense" exception of the Endangered Species Act must meet the same test used in criminal law for humans. The judge ruled that when Shuler left his front porch and entered his sheep pen to protect his sheep, he (and this is a quote), he "Purposefully placed himself in the zone of imminent danger of a bear attack" this case has been pending since 1989. I do not know the rancher, cannot imagine what this lawsuit has cost him in dollars, and more importantly what havoc it has created in his life. From the quote of the judge, I wonder if it would have been permissible to defend himself and his animals if the bear were carrying a similar firearm—or if sheep are accorded the same "human" rights the bear is privileged to have. The bear's tummy was 80% filled with remanants of dead sheep!

I can't wait till someone comes up with the idea that you should discuss the situation with the bear before firing!!

One has to wonder which species is really endangered—the bear or the rancher?

On March 24th of this year, on a ranch close to Sand Springs, MT, an elderly couple was surprised by a group of 20 armed U.S. Wildlife Service marshals and Bureau of Land Management rangers with search and seizure warrants. Two pickups were seized, and all out buildings, etc. were searched. On June 14, the rancher will be arraigned and charged with violations of the Endangered Species Act, the Eagle Act, the Migratory Bird Treaty Act, and the Federal Insecticide

Act—but, and this is important—along with the officers was a camera crew from CNN. Does it not seem slightly un-American that the couple were not allowed an attorney at the time of the search, no neighbors or attorneys were allowed to enter the area—local law officials were not notified of the procedure, but—a CNN camera crew accompanied the officers??

These are not isolated incidents—only those making the news right now in my home State. Where has all the logic gone and whatever happened to common sense?

We have to demand a balance, we have to get realistic, we have to use our heads.

The same principles can be applied to farm profitability. We hear daily about the national debt and the deficit spending. We are deluged with all the "best" plans to correct this situation. But until we face the fact that a country can never prosper without creating wealth from natural resources and manufacturing or adding value to the natural resource base, deficits will continue, poverty will follow. Passing currency around just doesn't pack it—wealth must be created.

One other rule of logic and common sense is that productivity must be rewarded to continue.

Very recently the United States exported it's 50 billionth bushel of corn since becoming a nation. 50 billionth!! Maybe you saw the headlines proclaiming the benefit to the United States? Not in Montana—it was less than a 2-inch article on the 13th page. I sincerely hope it was allowed more press time in Iowa, Nebraska, and Kansas.

Those exports are a gift to the American people. Not to the farmer who is getting the same price per bushel and paying higher input costs than he did 10 years ago. No, the benefit is to the balance of trade and to the economy of the United States and to the citizen walking the streets. And to put that productivity in perspective—we reached the 5 billion mark in 1953, the 10th in 1967 and the 25th in 1978—doubled the export level in 15 years!!!

How long has it been since you read any scientific facts on how much erosion has been cut in the country by using new farm techniques? When was the last time you heard on national TV that American agriculture represents 16 percent of our Nation's GNP; or provides 1 out of every 6 jobs; and generates an estimated 21 million jobs or 17 percent of the entire work force, with 90 percent of these jobs off the farm. Or perhaps you caught the late night news that told you one American farmer/rancher provides food and fiber for 128 people: 94 in the United States and 34 abroad and in this country it costs only 10 percent of an average income for the most abundant, safest, and most varied food supply ever seen on the face of the earth. Leaving 90 percent to be spent on other items of interest. You didn't see that broadcast either?

And I've never seen that weathered American farmer's face on any major magazine cover as "Man of the Year!"

No, because just as we as a society have lost touch with reality, we have come to view food as a right—not as a gift, not important to national security and not as a basic part of the economy.

Now, I can excuse the young mother working to make ends meet, or the unemployed factory worker whose job has been lost to cheaper labor out of the country; and the children bombarded with negative pictures of food production.

But I cannot and will not excuse policymakers. Along with the titles, comes the responsibility to see and to help others see what the basics of life really are. And what is good for all of the country is basic security—the security that comes with being able to make a good living with an honest job. A productive job, one that gives satisfaction for a job well done and provides a fair profit for doing it well. No one can say the American farmer is not doing something productive, necessary, and basic to the security of this nation. And we are doing it well. We are here to let our policy makers know that we need fair trade agreements and reasonable regulations. We want a return to balance. Where has all the logic gone and whatever happened to common sense.

Time magazine recently reported the United States now has more people working for local, State, and Federal Government than in all of manufacturing in this country. The average age of the American farmer is 52 years of age. Regardless of all the numbers we hear—if agriculture was a healthy industry, our children would be following in our footsteps rather than preparing to take city jobs. If we were a healthy industry, we would be buying new tractors, combines, cars, appliances, luxuries, and creating jobs for our manufacturing sector.

Where has all the logic gone and whatever happened to common sense. And We need a little balance.

And I repeat, productivity must be rewarded—not only appreciated, but rewarded with profit. In 1985, I was among the State leaders of Montana Ag organizations and we were told that if we wanted to continue farming, we must find a job off the farm. This statement was made by a ranking official of the USDA. WIFE believes a family farm is a family that must be able to provide the major source of income and capital for investment for that family. Our family farms are commercial enterprises, not $1,000.00 garden plots—but farms that have been in our families for generations, and most often are still trying to support several generations.

WIFE will continue to tell the success story of American agriculture. And we will continue to be proud of the job we do. And we will continue to expect our policymakers to do what is right—not necessarily politically correct; but right for America. If we see that, we will know where the logic has gone, what happened to common sense and enjoy the balance of freedom again.

To close, I'd like to read a short dissertation by Baxter Black. Many of you know him as a cowboy poet and comedian. This is taken from the March 1993 edition of Farmer-Stockman.

ON THE EDGE OF COMMON SENSE SOMALIA

(By Baxter Black)

There they were again, starving African children on the cover of Newsweek. A bad combination, drought and politics.

Former President Bush, fresh from his Persian Gulf victory, led the United Nations into Somalia. Announcers, analyzers and pundits commented in great detail on the invasion.

They wondered if there would be armed resistance. They wondered if they could secure the airport. They wondered if the planes would get there in time. They wondered if the roads could be traveled. They wondered if it was a political tarbaby.

They interviewed hundreds of knowledgeable people and asked thousands of questions about logistics, ethics, emaciation, compassion, tribal war lords, rehydration, sacrifice, intervention, extortion, invasion, camouflage and first aid.

But not once, in the most publicized humanitarian airlift of all time did anyone ask, "Wait, will we have enough grain?"

Farmers . . . take a bow.

Last fall when you were spending endless hours on the combine, you were saving a life. Last spring when you broke the soil you were giving bark to the free world's bite. Your seemingly mundane labor was putting muscle in our promises.

It would be immodest for us to seek thanks from the public, the politicians or, God forbid, the Somalians. No, the applause is reserved for the actors on the stage, not the writers of the word.

But it says something about the might of our North American agriculture. No one questions the ability of us to feed the whole world, if need be. Our leaders make promises they know we can keep.

As sure as evil lurks in the hearts of men, there will be other Somalias. And as sure as God made little green apples there will be farmers scattering seeds from Saskatoon to Wichita Falls. That's our job. I hope the Somalians benefit from our bounty. I hope it helps them regain the dignity that self sufficient human beings possess.

Call again if you need us. I'm glad we could help.●

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Ellen Lovell:									
Israel	Dollar		571.00						571.00
Egypt	Pound	2,180	668.00					2,180	668.00
Total			1,239.00						1,239.00

PATRICK LEAHY,
Chairman, Committee on Agriculture, Nutrition and Forestry, May 7, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Tom Harkin:									
Chile	Dollar		225.00						225.00
United States	Dollar				3,438.00				3,438.00
Senator Thad Cochran:									
Germany	Deutsche mark	34.18	20.64					34.18	20.64
Senator Patrick J. Leahy:									
Israel	Dollar		592.00						592.00
Egypt	Pound	2400	720.00					2400	720.00
Eric D. Newsom:									
Israel	Dollar		592.00						592.00
Egypt	Pound	2400	550.00					2400	550.00
Senator Daniel K. Inouye:									
Israel	Dollar		300.00						300.00
United States	Dollar				5,933.45				5,933.45
Total			2,999.64		9,371.45				12,371.09

ROBERT C. BYRD,
Chairman, Committee on Appropriations, Mar. 31, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William S. Cohen:									
Germany	Deutsche mark	8.63	5.21					8.63	5.21
Senator John McCain:									
Germany	Deutsche mark	143.68	86.76					143.68	86.76
Senator John Glenn:									
Germany	Deutsche mark	44.69	26.98					44.69	26.98
Judith A. Ansley:									
Germany	Deutsche mark	677.32	409.00					677.32	409.00
James M. Bodner:									
Germany	Deutsche mark	734.18	443.35					734.18	443.35
Anthony H. Cordesman:									
Germany	Deutsche mark	904.18	546.00					904.18	546.00
Robert Tyrer:									
Germany	Deutsche mark	904.18	546.00					904.18	546.00
Senator Sam Nunn:									
Taiwan	Dollar	20,895	822.00					20,985	822.00
Taiwan	Dollar						150.00		150.00
Hong Kong	Dollar	3,993.30	516.00					3,993.30	516.00
Thailand	Baht	16,218	639.00					16,218	639.00
Malaysia	Ringgit	1,503.09	579.00					1,503.09	579.00
Richard D. Finn, Jr.									
Taiwan	Dollar	20,895	822.00					20,895	822.00
Taiwan	Dollar						150.00		150.00
Hong Kong	Dollar	1,996.70	258.00					1,996.70	258.00
Total			5,699.30				300.00		5,999.30

SAM NUNN,
Chairman, Committee on Armed Services, Apr. 1, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Steven J. Shimberg:									
Mexico	Dollar		520.00		1,177.00				1,697.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			520.00		1,177.00				1,697.00

MAX BAUCUS,
Chairman, Committee on Environment and Public Works, Mar. 31, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE, FOR TRAVEL FROM JAN 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John Chafee:									
Mexico	Peso	1,459.48	470.00			155.07	50.00	1,614.55	520.00
United States	Dollar				1,245.95				1,245.95
Amy Dunathan:									
Mexico	Peso	1,459.48	470.00			155.07	50.00	1,614.55	520.00
United States	Dollar				1,177.00				1,177.00
Total			940.00		2,422.95		100.00		3,462.95

DANIEL PATRICK MOYNIHAN,
Chairman, Committee on Finance, Apr. 7, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384–22 U.S.C. 1754(B), COMMITTEE ON FOREIGN RELATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Hank Brown:									
Croatia	Dollar		101.00						101.00
Syria	Dollar		385.55						385.55
Jordan	Dollar		144.08						144.08
Israel	Dollar		546.94				123.63		670.57
Egypt	Dollar		324.11						324.11
United States	Dollar				1,528.25				1,528.25
Senator James M. Jeffords:									
Croatia	Dollar		115.00						115.00
Syria	Dollar		414.00						414.00
Jordan	Dollar		197.00						197.00
Israel	Dollar		421.00				123.63		544.63
Egypt	Dollar		294.00						294.00
United States	Dollar				1,528.00				1,528.00
G. Garrett Grigsby:									
Bolivia	Boliviano	7,311.95	1,767.00					7,311.95	1,767.00
United States	Dollar				1,026.45				1,026.45
Nancy H. Stetson:									
Singapore	Dollar		148.00						148.00
Cambodia	Dollar		956.00						956.00
Malaysia	Dollar		138.00						138.00
United Arab Emirates	Dollar		187.00						187.00
Kenya	Dollar		360.00						360.00
United States	Dollar				6,364.45				6,364.45
William C. Triplett:									
United Arab Emirates	Dollar		841.50						841.50
United States	Dollar				4,873.15				4,873.15
Kristin Brady:									
Nicaragua	Dollar		300.00						300.00
United States	Dollar				1,000.45				1,000.45
Adwoa Dunn-Mouton:									
Mozambique	Dollar		1,495.00						1,495.00
United States	Dollar				5,813.45				5,813.45
Laurie Schultz Heim:									
Croatia	Dollar		90.00						90.00
Syria	Dollar		315.00						315.00
Jordan	Dollar		197.00						197.00
Israel	Dollar		445.00				123.63		568.63
Egypt	Dollar		270.00						270.00
United States	Dollar				1,528.00				1,528.00
Carter Pilcher:									
Croatia	Dollar		88.75						88.75
Syria	Dollar		345.34						345.34
Jordan	Dollar		162.00						162.00
Israel	Dollar		362.80				123.63		486.43
Egypt	Dollar		273.87						273.87
United States	Dollar				1,528.25				1,528.25
Steven M. Polansky:									
Chile	Dollar		936.00						936.00
United States	Dollar				3,839.45				3,839.45
Stephen Rickard:									
United States	Dollar				1,351.10				1,351.10
Total			12,620.94		30,381.00		494.52		43,496.46

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, May 7, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384–22 U.S.C. 1754(b), COMMITTEE ON GOVERNMENTAL AFFAIRS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Scott E. Newton:									
Jamaica	Dollar		1,162.00						1,162.00
United States	Dollar				539.00				539.00
Mary E. Michels:									
Jamaica	Dollar		732.48						732.48
United States	Dollar				538.00				539.00
Senator William Roth:									
Germany	Deutsche mark	124.20	75.00					124.20	75.00
Total			1,969,48		1,078.00				3,047.48

JOHN GLENN,
Chairman, Committee on Government Affairs, Apr. 29, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON GOVERNMENTAL AFFAIRS, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1992

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
R. Ian Butterfield:									
Greece	Drachma	214,869	1,130.00					214,869	1,130.00
United States	Dollar				1,064.00				1,064.00
Total			1,130,00		1,064.00				2,194.00

JOHN GLENN,
Chairman, Committee on Governmental Affairs, Apr. 12, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C.1754(b), COMMITTEE ON GOVERNMENTAL AFFAIRS, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1992

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Daniel Akaka:									
Germany	Deutsche mark	1,392	960.00			1,750.99	1,207.58	3,142.99	2,167.58
Belgium	Franc	16,414	566.00			5,066	166.62	21,480	732.62
Total			1,526.00				1,347.20		2,900.20

JOHN GLENN,
Chairman, Committee on Governmental Affairs, Apr. 12, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM JAN. 1 TO MAR 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Michael Myers:									
United States	Dollar				605.45				605.45
Haiti	Gourde		400.00						400.00
Total			400.00		605.45				1,005.45

JOE BIDEN,
Chairman, Committee on the Judiciary, Apr. 6, 1993.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE JUDICIARY, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1992

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Michael J. Myers:									
Yugoslavia	Dollar		1,070.00		2,770.00				3,840.00
Croatia									
Bosnia									
Switzerland	Franc	654.64	486.00				654.64		486.00
Total			1,556.00		2,770.00				4,326.00

JOE BIDEN,
Chairman, Committee on the Judiciary, Apr. 20, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), JOINT ECONOMIC COMMITTEE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Stephen Quick:									
United States	Dollar				797.15				797.15
Germany	Deutsche mark		1,180.00						1,180.00
Total			1,180.00		797.15				1,977.15

DAVID OBEY,
Chairman, Joint Economic Committee, Apr. 27, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jane S. Fisher:									
United States	Dollar				2,936.75				2,936.75
Czech Republic	Dollar		690.00						690.00
Samuel G. Wise:									
United States	Dollar				929.15				929.15
Czech Republic	Dollar		690.00						690.00
Total			1,380.00		3,865.90				5,245.90

DENNIS DE CONCINI,
Chairman, Commission on Security and Cooperation in Europe,
Apr. 23, 1993.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1993

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator William V. Roth, Jr.:									
Japan	Yen	60,645	484.00			2,518	20.33	63,163	504.33
United States	Dollar				2,070.00				2,070.00
Daniel Bob:									
Japan	Yen	171,410	1,368.00			2,518	20.33	173,928	1,388.33
United States	Dollar				1,165.00				1,165.00
Senator Arlen Specter:									
Croatia	Dinar	41,435.32	39.88					41,435.32	39.88
Syria	Dollar		344.00						344.00
Israel	Dollar		742.50				123.63		866.13
Egypt	Pound	987.63	294.55					987.63	294.55
United States	Dollar				1,523.25				1,523.25
Charles Battaglia:									
Croatia	Dinar	107,017	103.00					107,017	103.00
Syria	Dollar		385.50						385.50
Israel	Dollar		663.00				123.63		786.63
Egypt	Pound	1,200.37	358.00					1,200.37	358.00
United States	Dollar				1,523.25				1,523.25
Total			4,782.43		6,281.50		287.92		11,351.85

ROBERT J. DOLE,
Republican Leader, Apr. 15, 1993.

COMMEMORATION OF THE 70TH ANNIVERSARY OF THE NEW BRUNSWICK, NJ, BUSINESS AND PROFESSIONAL WOMEN, INC.

• Mr. BRADLEY. Mr. President, today the New Brunswick Business and Professional Women will commemorate a significant anniversary, and I rise to express my admiration for all the organization has done and to offer my congratulations on this very special occasion.

The New Brunswick Business and Professional Women was chartered 70 years ago this month. A leader in the women's movement, its motto has always been "Women Helping Women.," In pursuit of this goal, the New Brunswick organization works to expand economic opportunities for women and to improve the status of women in business and the professions. I commend its many dedicated members, who, through the years, have supported programs of social advocacy, social justice and social outreach in the community.

The New Brunswick Business and Professional Women will be celebrating seven decades of civic service today. Generations have been touched by its good efforts. I am pleased to have this opportunity to pay tribute to its longevity and to record this impressive milestone in the pages of the CONGRESSIONAL RECORD.•

HONORING BERNIE McKINLEY

• Mr. GRASSLEY. Mr. President, I would like to acknowledge the accomplishments of Bernard L. McKinley of Waterloo. IA. Bernie is an individual truly committed to philanthropy and the love of mankind.

Bernie has generously given his time to serve in leadership capacities for campaigns conducted by more than 10 human-service agencies in as many years. He not only gives from the heart and convinces others to do so, he brings motivation and excitement to every campaign he works on.

Black Hawk County, and its communities and people, have been strengthened and enhanced by this caring man

whose philosophy of life is to always give back more than he receives.●

OPPOSITION TO ERISA WAIVERS IN H.R. 2264

● Mr. DURENBERGER. Mr. President, the House version of the budget reconciliation bill (H.R. 2264) allows four States to obtain waivers from certain provisions in the Employee Retirement Income Security Act [ERISA]. My home State of Minnesota is one of those four.

The waiver provision that applies to Minnesota would exempt the provider tax—a 2 percent tax on net receipts of medical care providers enacted last year in Minnesota. This tax is currently under a challenge in court from labor unions who do not want the tax to apply to them.

The waiver contained in the House bill would insulate the provider tax from an ERISA challenge for a 2-year period and, presumably, dispose of the labor union lawsuit.

I oppose selective waivers.

If we need to amend the law, and many have argued that we do, we must do so explicitly with a full airing of all its permutations.

Many other States have provider taxes of various kinds, and I am sure others would desire waivers. If ERISA is such a problem for States, why should only four get an advantage?

We should address ERISA issues in the context of comprehensive health reform. Millions of Americans are covered by plans affected by ERISA and thousands of employers have relied upon its provisions in designing their health benefit programs.

Until the Federal Government acts on comprehensive health reform, States will try to expand access to their uninsured populations. I recognize their frustrations. But this argues neither for provider taxes nor for ERISA waivers. It argues for comprehensive Federal action.

Minnesota is a clearly recognized leader in health care. Most of the leadership has come in the private sector, with extraordinarily creative activities among health care providers and forward-looking business organizations, including larger self-funded employers and smaller Taft-Hartley employers as examples.

Now the government of the State of Minnesota has started looking at ways to expand access and has instituted its net receipts tax to finance it. The business community in Minnesota does not object to the tax as defined in the MNCare legislation. They have been paying it and expect to continue to pay it. And the Minnesota attorney general's office expects the union challenge to be defeated. So the need for this legislation for Minnesota is questionable.

But there is a more important principle at stake here than my State's self-interest. Ultimately, the Federal Government must take a leadership role in health reform. It is better to do nothing than to do health reform badly. The approach in the House version is an example of poorly conceived, piecemeal policymaking.

I will use my powers of persuasion as well as my vote to defeat this provision in the U.S. Senate.●

TRIBUTE TO TOYOTA PLANT IN GEORGETOWN

● Mr. McCONNELL. Mr. President, I rise today to pay tribute to the Toyota Motor Manufacturing plant in Georgetown, KY. The plant continues to set a standard of excellence which automobile manufacturers worldwide should strive to duplicate.

In a recent quality survey by J.D. Power & Associates, the Georgetown facility was named the best North American auto factory. The survey—which ranked the Scott County plant third last year—was based on questionnaires answered by more than 45,000 consumers after 90 days of vehicle ownership.

The survey also gave the plant another top honor—one of its products, the Toyota Camry sedan, tied for fourth in Power's initial quality survey. That honor placed the Camry above any other car built in North America.

Toyota Motor Manufacturing in Georgetown employs more than 4,000 people, 96 percent of whom are from Kentucky. Last year, the plant produced 212,700 Camry sedans and 27,300 wagons. I have visited the Toyota plant and have gotten a firsthand look at the facility in production. There is no question that its success can be directly attributed to the hard work and dedication of its employees.

Kentucky is fortunate to have three quality automobile manufacturers in the State. Toyota Motor Manufacturing, the General Motors Corvette plant in Bowling Green, and the Ford Explorer plant in Louisville, set a standard of excellence other manufacturers should strive to emulate.

I congratulate the employees of Toyota Motor Manufacturing in Georgetown for earning this recognition, and for turning out one of the best cars in America. All Kentuckians should take pride in this achievement.

Mr. President, please insert my comments as well as an article from the Lexington Herald-Leader into today's CONGRESSIONAL RECORD.

GEORGETOWN TOYOTA PLANT JUDGED BEST AUTO FACTORY IN NORTH AMERICA

(By Todd Pack)

The Toyota plant in Georgetown has taken the checkered flag in a widely watched automotive survey of new cars and trucks.

The plant was judged the best North American auto factory by the California marketing firm J.D. Power & Associates. Last year it was third.

A car made in Georgetown, the Camry sedan, tied for fourth in Power's Initial Quality Survey. That was better than any other car built in North America.

Toyota Motor Corp. dominated the awards, announced yesterday in the firm's newsletter, The Power Report. Toyota or Lexus, its luxury car nameplate, finished first in all but two categories, including one in which no vehicle exceeded the industry average.

And another of Toyota's facilities—in Cambridge, Ontario, where it makes Corollas—finished third among assembly plants, behind the General Motors Corp. pickup plant in Fort Wayne, Ind.

According to the survey, the Georgetown plant registered 60 problems for every 100 cars.

The industry average is 107, 13 automakers exceeded that mark and 19 were below it.

Georgetown's success "comes down to our people," plant manager Mike Daprile said.

"It was teamwork in every section, everyone working together to build the best car they can build."

The plant which employs 4,400 people, rolled out 212,700 Camry sedans and 127,300 wagons last year.

"These people are over 96 percent Kentuckians, and they're turning out the best car in America," Daprile said.

Production lines were shut down about nine minutes on each shift to announce the award to employees.

"I personally thanked everybody for their effort and their dedication. They earned this honor," he said.

The findings are based on questionnaires answered by more than 45,000 consumers after 90 days of vehicle ownership and have become a bench mark for rating quality in the automotive industry.

Automakers who score well in the J.D. Power survey often use that to tout their vehicles in ad campaigns.●

INTELLIGENT VEHICLE HIGHWAY SYSTEM

● Mr. WARNER. Mr. President, I rise today to bring to the Senate's attention the progress being made in the Intelligent Vehicle Highway System [IVHS] Program and the promises it holds for transportation advancements.

As the ranking member of the Environment and Public Works Subcommittee on Water Resources and Transportation, I became familiar with IVHS possibilities when I served as a conferee on the Intermodal Surface Transportation Efficiency Act of 1991 [ISTEA].

One of the fundamental tenants of ISTEA is to improve the efficiency and effectiveness of our existing transportation network. While I certainly believe that there remains a legitimate need for upgraded and additional highways, I also recognize that highway construction alone cannot address all of our transportation congestion and safety problems.

Traffic congestion in Virginia's major urban/suburban areas has been the focus of Virginia's transportation policymaking for some time. For those of us who travel these roads daily, we know that interstate highways approach complete gridlock during peak

travel periods. The result is that commuters cannot get to work and interstate commerce cannot flow. That translates into reduced productivity, lost income, and time and money ill-spent.

The safety of our network of roads and bridges is also an issue in which I have great interest. While we have seen a decrease in the number of highway-related fatalities in recent years because of Federal safety belt and speed limit laws—both of which I have supported—the number of persons who lose their lives or are critically injured on our Nation's highways each year is still much too high.

Recent figures released by the Department of Transportation indicate that more than 40,000 persons are killed and another 5 million persons are injured each year in traffic accidents.

These two problems of congestion and safety which continue to plague transportation planners are a major focus of the near term IVHS technologies. That's why I am committed to the Intelligent Vehicle Highway System, or "smart cars" and "smart highways." IVHS offers a tremendous opportunity to improve mobility, enhance safety, and reduce congestion through the use of advanced electronics, communications, and control technologies.

Even in these early years of the IVHS Program, its progress is directly related to the bipartisan support this program has enjoyed in the Congress, both in the Environment Committee and the Appropriations Committee. The recommended increase in funding for fiscal year 1994 for IVHS will be dedicated to bringing these new technologies to the marketplace more rapidly and will result in earlier benefits to highway users.

The use of advanced technologies to improve our transportation system is nothing new. Advanced traffic management systems, like those operating on Shirley Highway [I-395] and Interstate 66 in northern Virginia, use technologies such as video cameras and variable message signs to monitor traffic and provide accurate, timely information to drivers. The high occupancy vehicle [HOV] lanes on Shirley Highway also have been a major success and are part of the Virginia Department of Transportation's overall transportation management strategy. In fact, the figures are impressive. In the morning rush hour, two HOV lanes on Shirley Highway carry over 35,000 people, as compared to 27,000 people on the four regular lanes.

IVHS builds on this foundation of good traffic management by adding a greatly expanded information and control network to the existing infrastructure. IVHS will result in a fundamentally different transportation system that provides improved interaction between the driver, the vehicle and the highway. This can have an enormous positive impact on the safety and performance of our existing highway and public transportation system.

IVHS technologies will lead to safer and better informed travelers. Accurate and timely information on traffic conditions and transit services will be available to you before your trip begins. Navigation and route guidance systems, as well as improved traffic control systems, will provide assistance once a trip is underway.

IVHS technologies will also greatly increase the safety of highway travel. For example, adaptive cruise control systems will reduce the speed of an automobile automatically if the car is approaching another vehicle too rapidly. Heads-up displays will help travelers to see highway signs and other warnings at night or during poor weather conditions. A transmitter along the side of the roadway, on a stop sign for example, will send information to your car, which will then display the stop sign on your windshield when it is clearly visible.

Another benefit of IVHS services will be the improvements in the efficiency of commercial vehicle systems. IVHS systems will provide fleet managers with accurate information on traffic conditions and the location and status of their vehicles. They will also allow two-way communication with the drivers.

There is also a great potential to apply defense technologies for use in IVHS applications. These applications would include acoustic and machine vision detectors, laser and imaging sensors, communications, and advanced simulation techniques. I am pleased that recently the Departments of Transportation and Defense have established a joint task force to examine the civilian uses of the global positioning satellite [GPS]. Imagine the possibilities if the GPS satellite that guided our troops and planes in Desert Storm is available worldwide for commercial use. The entrepreneurs that develop the best GPS systems, for IVHS and many other applications, will have an edge not only in the U.S. market, but the world market as well.

With limited Federal resources to invest in research projects, I believe IVHS is a wise use of these dollars because it is not just another high tech research program, nor is it a distant dream. In the Washington metropolitan area, including Virginia, a field operational test of an IVHS system will be underway soon. This system will use cars that have cellular phones as roving-traffic probes. By measuring the movements of these cars, the system will be able to estimate traffic flow information and identify the location of accidents or other areas of congestion. The Virginia and Maryland Departments of Transportation are partners in this project and will be evaluating the use of this information to improve their traffic management activities.

In other regions of the country, trucks equipped with special transponders are now operating along a corridor from British Columbia to Texas. This project is a partnership between the States and the motor carrier industry that will use advanced technologies to identify and weigh trucks as they travel at normal speeds. The system will also use real-time communications to check the carrier's credentials. The goal of this system is for legal trucks to travel just like cars, eliminating unnecessary stops at weigh stations and State borders. This will significantly increase commercial vehicle productivity, and will save millions of dollars annually for the trucking industry.

Greyhound Bus Lines is currently equipping their entire fleet with an advanced collision avoidance system. This system alerts the driver when the distance between the bus and another vehicle or object becomes too close for safety. Another system already on the market detects the movement of a child in the blind spots of a schoolbus and alerts the driver. Similar systems will be available for private automobiles in the near future.

While many IVHS technologies will be introduced gradually, over the long term they will have dramatic and enormously beneficial implications for our Nation's surface transportation system, the safety of the traveling public and the ability of American industry to be competitive well into the future.

Mr. President, I look forward to working with Senators LAUTENBERG, MOYNIHAN, BAUCUS, and CHAFEE on the Environment and Public Works Committee to strengthen the IVHS Program to make the future of these many promising technologies a reality.•

RESEARCH ON VACCINATING AMERICA'S PRESCHOOLERS

• Mr. GREGG. Mr. President, last week I made a statement in the Senate giving my thoughts on how we can raise the preschool vaccination level in this country. As I said last week, unless we get the overall preschool vaccination rate up to 90 percent or so, we can expect to see periodic outbreaks of childhood diseases in the United States. We must do better than we are doing now.

I rise today to point out to other Senators a very interesting and important piece of research that has just been published in the June 1993 edition of the American Journal of Public Health. The article is entitled "Preschool Children at High Risk for Measles: Opportunities to Vaccinate." The authors are a team of immunization experts from the Centers for Disease Control and city health departments, headed up by Dr. Sonja S. Hutchins.

These experts studied the 1989–90 measles outbreak in five major cities in the United States, Los Angeles, Dallas, Milwaukee, Chicago, and New York. Of nearly 1,000 children who got measles in those cities, 93 percent had previously visited a health clinic of some kind. That is a classical missed opportunity to vaccinate.

But even more interesting is this—65 percent of these children with measles were enrolled in a Federal assistance program. The programs included AFDC, WIC, food stamps, and public housing.

Mr. President, here is what the authors of this excellent piece of research concluded—that immunization services linked to Federal assistance programs are an important potential opportunity to get kids vaccinated and protect them from measles and other childhood diseases. For example, in these five major cities, if we just got all the kids vaccinated who are receiving AFDC, we could potentially cut the number of measles cases by about one-half. For WIC, the number would be 43 percent. For all Federal assistance programs, it would be 65 percent.

In the next few weeks, the Senate will be making some decisions about national immunization policy. This article points out one crucial intervention that we can make—increasing the tie between proper immunization and the receipt of Federal programs. We are about to commit a lot of new Federal resources to the immunization battle. As we do that, let's not forget this one. Ties like this have worked well in demonstration projects, and many immunization experts believe that tying proper vaccination to the receipt of Federal assistance is the best single way to boost preschool vaccination rates. I urge my fellow Senators to look at the Hutchins study.

Mr. President, I ask to include the entire text and tables of the Hutchins article in the RECORD.

The material follows:

PRESCHOOL CHILDREN AT HIGH RISK FOR MEASLES: OPPORTUNITY TO VACCINATE

ABSTRACT

Objectives. In 1989 and 1990 the United States experienced a measles epidemic with more than 18,000 and 27,000 reported cases, respectively. Nearly half of all persons with measles were unvaccinated preschool children under 5 years of age. We sought to identify potential sites for vaccine delivery.

Methods: Preschool children with measles were surveyed in five inner cities with measles outbreaks in 1989 to 1990 to assess the children's use of health care services and federal assistance programs before contracting measles.

Results. Of 972 case children surveyed, 618 (64%) were eligible for measles vaccination at measles onset. Of those, 93% had previously visited a health care provider (private physician, public clinic, hospital emergency department, or hospital outpatient department) and 65% were enrolled in a federal assistance program (AFDC, WIC, or food stamps). Based on parent-reported reasons for health care visits, in Dallas and New York City, health care providers of 24% of 172 children may have missed at least one opportunity to administer measles vaccine.

Conclusions. Many potential opportunities exist to raise the vaccination coverage of unvaccinated pre-school children. These opportunities depend on (1) health care providers taking advantage of all opportunities to vaccinate, and (2) immunization services being linked to federal assistance programs. (AmJ Public Health. 1993; 83: 862–867)

INTRODUCTION

In 1989 and 1990, the United States experienced a dramatic resurgence of measles.[1,2] Reported cases increased to 18,193 (7.3 cases per 100,000 population) in 1989 and to 27,786 (11.2 cases per 100,000 population) in 1990, a six- and ninefold increase, respectively, from the annual average of 1.3 cases per 100,000 population during the 1980s and the highest reported incidence since 1977. Compared with 1980 through 1988, measles epidemiology during 1989 through 1990 dramatically changed, with nearly half the cases occurring in unvaccinated preschool children and the annual number of measles-associated deaths increasing 33-fold (from a median of 2 deaths per year to a provision median of 65 deaths per year). The principal cause for the measles epidemic in 1989 and 1990 was a failure to deliver vaccine to unvaccinated preschoolers in inner cities.[3,4]

In a recent survey of measles vaccination coverage levels among preschool children from selected inner cities, low levels were associated with high measles incidence.[5] Efforts to improve these levels in preschool children in the United States have largely focused on identifying reasons for the failure to vaccinate. Numerous studies have identified risk factors for inadequate vaccination in these children; some of these factors include (1) indicators of low socioeconomic status (i.e., having a single parent, being in a racial or ethnic minority, using public sector health care); (2) parents with a low level of education; and (3) parents with limited knowledge of vaccines.[6,7] Although general risk factors for inadequate vaccination levels have been described, the opportunities to vaccinate children at high risk for inadequate vaccination levels have not been comprehensively evaluated. In particular, the extent to which these children use health care services or enroll in federal assistance programs where vaccines are routinely offered or could be offered has not been determined.

Because many preschool children with inadequate vaccination levels are of low socioeconomic status, it could be expected that they are served primarily by public health clinics and federal assistance social welfare programs (e.g., Special Supplemental Food Program for Women, Infants, and Children (WIC); Aid to Families with Dependent Children (AFDC); the food stamps program; Medicaid; and Project Head Start). To identify opportunities to deliver vaccine to low-income preschoolers with inadequate vaccination levels in inner-city areas, we evaluated the use of health care services and enrollment in federal assistance programs by preschool children at high risk for measles. This paper reviews our findings and discusses their implications.

METHODS

Preschool children under 5 years of age with measles were evaluated in Los Angeles, Dallas, and Milwaukee counties and in the cities of Chicago and New York, areas of the United States with large-measles outbreaks in preschoolers during 1989 through 1990 (Appendix 1). Parents of children with confirmed cases of measles (i.e., cases that were serologically confirmed or that met the Centers for Disease Control and Prevention's clinical case definition and were epidemiologically linked to at least a clinical case[8]) that occurred during the observational period (September 11, 1989, through June 29, 1990) were surveyed during a telephone or personal interview at home.

Selection of confirmed measles cases for investigation varied in the five areas. In each area, a target study population was defined to ensure that the study population would include about 200 preschool children with measles. In Chicago, Los Angeles, Milwaukee, and New York City, all preschoolers reported to have measles during a 14- to 26-week study period were selected; in Dallas, a random sample of all preschoolers with measles was selected during a 13-week study period. In all areas except Milwaukee, some case parents were not interviewed because they could not be contacted by telephone.

Our analysis was limited to case children who were eligible for vaccination at measles onset. Eligibility was not necessarily based on the recommended age of 15 months for routine vaccination but varied in the areas based on the outbreak control recommendation in effect at the time. During outbreaks in Chicago and Dallas, an additional dose of vaccine was recommended for children as young as 6 months of age; in Los Angeles, Milwaukee, and New York City, the recommended age of vaccination was lowered to 12 months.

Information was collected from parents about the case child's age, sex, race or ethnicity, and vaccination status, and about the types of health care services and federal assistance programs with which the family had contact before the child's illness. Children were considered vaccinated if they had a written record of measles vaccination with at least the month and year of vaccination. Specific information was collected about prior use of public clinics (i.e., health department clinics or neighborhood health centers receiving free vaccine from the public sector), hospital emergency departments, hospital outpatient departments, private physicians' offices, and health maintenance organizations (HMOs), and about current enrollment in four federal assistance programs: WIC, AFDC, food stamps, and public housing.

The definition for use of health care services and enrollment in federal assistance programs varied by study location to allow data collection to fit the needs of the location. In Dallas, Los Angeles, and New York City, use of a health care service was defined as a parent-reported visit to an ambulatory health care provider at any time during the child's life and 14 or more days before measles onset (Appendix 1). In Chicago and Milwaukee, parent-reported ambulatory health care visits qualified if they were made at any time during the child's life up until measles onset, and emergency department visits qualified if they were made within 2 months of measles onset because information was collected only for that period. In Dallas, Los Angels, and New York City, case children were considered enrolled in federal assistance programs only if they were receiving assistance 14 days before measles onset; in Chicago and Milwaukee, children were considered enrolled if they were receiving assistance within 2 months of measles onset. In all areas except Chicago and Milwaukee, enrollment in all four federal assistance programs was assessed.

Footnotes at end of article.

Studies were conducted in Dallas and New York City to determine whether missed opportunities for measles vaccination may have occurred during the health care visit that immediately preceded exposure to measles. A missed opportunity was defined as a visit in which a health care professional did not vaccinate a child who was age eligible for vaccination and who did not have a contraindication to vaccination. The health care visit reportedly occurred before the child was exposed to measles (i.e., 14 days before rash onset) and was for well child care or for a mild illness, according to parents, that would not generally be considered a contraindication to vaccination.[9] An acute febrile illness with a temperature above 38.3°C (100.9°F), including acute otitis media, was considered to be such a contraindication; mild illnesses, including upper respiratory tract illnesses, chronic otitis media, or minor trauma with a temperature not exceeding 38.3°C (if measured), were not.

To examine use of health care services further, study participants from Dallas, Los Angeles, and New York City were surveyed to determine their recent enrollment in a health insurance plan. Case children were considered enrolled if they were covered by a health insurance plan 14 days before measles onset.

Relative risks with 95% confidence intervals were calculated using *Epi-Info, Version 5*, a data management and statistical package developed by the Centers for Disease Control and Prevention.[10]

RESULTS

Case patients were selected from areas with measles outbreaks exceeding 1,100 reported cases. More than 50% of these patients were preschoolers and more than 80% of the preschoolers who were eligible for measles vaccination were not vaccinated. The parents of 972 case children were interviewed (Appendix 1). Of the children surveyed, 618 (64%) were unvaccinated and eligible for vaccination at measles onset and were thus included in our analysis. More than 92% of the 618 children were from Los Angeles (28.6%), Dallas (26.5%), Milwaukee (20.7%), and Chicago (16.8%); 7.3% were from New York City. The mean age of the children was 22 months, and more than half (56%) were aged 16 months or older. Forty-nine percent children were Black, 35% were Hispanic, and 15% were White. In each area, the racial or ethnic distribution of case children was similar to the overall distribution; Black and Hispanic children predominated, accounting for at least 70% of case children.

Use of Health Care Services

Before onset of measles, 93% of the 618 case children had used at least one type of health care service, which varied in the five areas between 80% and 99% (Table 1). Overall, use of primary health care services (i.e., private physician's office, public clinics, and hospital outpatient departments) was most often reported. Of the 64% of case children who had used private health care services, 52% had used a physician in a private office and 37% had used a physician in an HMO, private clinic, or urgent health care center. Use of other health care services (e.g., public clinics, hospital emergency and outpatient departments) was lower.

Use of specific types of health care services varied in the five areas. Ninety-seven percent or more of the children had used at least one type of health care service in all areas except Los Angeles. In most areas, although private health care services were most commonly used, the proportion who had used this service varied. In Milwaukee, Dallas, and Los Angeles, use of private health care predominated (>50%); in New York City, use of hospital emergency departments predominated; and in Chicago, use of hospital outpatient departments predominated. Use of other types of health care services was reported to be common in some areas. For instance, children from Chicago and Dallas used public clinics more often than children from other areas (>40%); many children in New York City, used hospital outpatient departments; and many children in Milwaukee used hospital emergency departments.

TABLE 1.—CITY- OR COUNTY-SPECIFIC USE OF HEALTH CARE SERVICES, BY PRESCHOOL MEASLES CASES.[1]

Health Care Service	Study Area (percent)					
	Los Angeles (n=177)	Dallas (n=164)	Milwaukee (n=128)	Chicago (n=104)	New York City (n=45)	Total (n=618)
Private care [2]	53	66	98	38	60	64
Public clinic	31	46	23	44	33	35
Hospital emergency department	22	32	[3] 51	[3] 16	71	38
Hospital outpatient department	14	20	10	53	44	24
Any health care	80	99	98	97	98	93

[1] Defined as vaccine-eligible preschool children with measles.
[2] Includes private physician's office, health maintenance organization, private clinic, or urgent health care center.
[3] Indicates percentage visiting within 2 months of measles rash onset.
Note.—Percentages exceed 100% because some children reported use of multiple sources of health care.

Use of health care services also varied by racial or ethnic groups (Table 2). Although a private physician was the most commonly reported health care service for all groups, White children were more likely than Black and Hispanic children to have ever used a private physician and were about half as likely to have used public clinics and hospital outpatient departments. Among minority children, Blacks were more likely than Hispanics to use private health services, and Hispanics were least likely to have had prior use of any health care service. Use of emergency departments was similar for the three groups.

Use of health care services also varied among the different age groups. As the ages of children increased from 6 months to 5 years, use of private care increased while use of public clinics and hospital outpatient departments decreased (Table 2). Use of hospital emergency departments was similar for children of all age groups.

Missed opportunities

In Dallas and New York City, where missed opportunities for measles vaccination were evaluated for 172 case children (129 and 43 vaccine-eligible children at measles onset, respectively), parents reported that, for 42 children (26% in Dallas; 19% in New York City; 24% in total), health care professionals had missed at least one opportunity to administer measles vaccine. Most of the 42 children (71%) experienced at least one missed opportunity when they were at or older than the recommended age for routine vaccination (15 months of age). Based on parental histories, of the remaining 130 children who did not miss an opportunity, 42% were not age eligible for measles vaccination at the health visit; 29% had an acute illness with a fever of 38.3°C; 22% had visited a health service after exposure to measles, 6% had a health visit but the date was not known, and 1% did not visit any health service. Missed opportunities may have occurred in all types of health care services, with highest proportions in primary health care settings (i.e., private health care [8%]) and public clinics [9%]). Based on parental histories, 56% of missed opportunities occurred during a visit for routine health care or vaccination, and the remaining 44% occurred during a visit for a minor illness not generally considered a contraindication to vaccination. When only 80 case children who were vaccine-eligible at the health care visit were evaluated, health care professionals for 53% (52% in Dallas, 57% in New York City) may have missed at least one opportunity to vaccinate them.

TABLE 2.—RACE- OR ETHNICITY-SPECIFIC AND AGE-SPECIFIC USE OF HEALTH CARE SERVICES, BY PRESCHOOL MEASLES CASES[1]

Health Care Service	Race/Ethnicity Percent			Age groups, percent		
	Black (n=304)	Hispanic (n=216)	White (n=90)	6–11 mo (n=108)	12–15 mo (n=167)	16–59+ mo (n=343)
Private care [2]	66	53	84	48	64	69
Public clinic	36	39	24	54	34	30
Hospital emergency department [3]	37	36	38	35	41	37
Hospital outpatient department	30	21	14	33	25	21
Any health care	96	88	98	96	96	91

[1] Defined as vaccine-eligible preschool children with measles.
[2] Includes private physician's office, health maintenance organization, private clinic, or urgent health care center.
[3] In Milwaukee and Chicago, percentages only include health care visits within 2 months of measles onset.
Note. Percentages exceed 100% because some children reported use of multiple sources of health care.

Health insurance coverage

Most (64%) of the 363 case children in Dallas, Los Angeles, and New York City (n = 163, 155, and 45, respectively) were enrolled in a health insurance plan; 36% were uninsured. Of the 363 case children, 39% were enrolled in Medicaid and 25% were enrolled in a private health insurance plan. Black and Hispanic case children were more likely to be enrolled in the Medicaid program than were White case-children (48% and 43%, respectively, vs 15%). Conversely, White case children were more likely to be enrolled in a private health insurance plan than were Black and Hispanic case children (45% vs 23% and 17%, respectively). The proportion of uninsured case children was comparable for White (40%), Black (30%), and Hispanic (40%) children.

Enrollment in Federal assistance programs

Of the 618 case children with measles, nearly two thirds (65%) were currently enrolled in a federal assistance program, which varied in the areas between 47% and 80% (Table 3). These programs were AFDC (52%), WIC (43%), and food stamps (40%). Current participation in a public housing program was also substantial (16%). Of the children who were enrolled in any federal assistance program, most (80%) were enrolled in AFDC.

Enrollment in assistance programs differed in the five study areas. Even though enrollment in Milwaukee was assessed for only three of the four assistance programs, children in that study area were the most likely of all the case children to be enrolled in any assistance program. The high enrollment in Milwaukee was explained by high enrollment in AFDC and WIC. In contrast, Dallas, for which information about enrollment was sought for all four assistance programs, had the lowest overall enrollment in any assistance program. Milwaukee and New York City reported the highest enrollment in AFDC, and Chicago and New York City reported the highest enrollment in WIC.

Enrollment in assistance programs also varied by racial or ethnic groups (Table 4). Preschool Black and Hispanic children were more than twice as likely to be enrolled in any of the assistance programs than were White children (78% and 61%, respectively, vs 29%). In particular, at least 40% of both Black and Hispanic children were enrolled in AFDC, WIC, and the food stamps program, whereas fewer than 20% of White children were enrolled in each of these programs.

Differences in enrollment also were observed for various age groups (Table 4). Infants aged 6 through 11 months were more likely to be enrolled in WIC and half as likely to be enrolled in AFDC than were children aged 12 through 59 months. As age increased from 6 months to 59 months, WIC enrollment decreased and AFDC enrollment increased. Enrollment in public housing and the food stamps program was similar for all age groups.

TABLE 3.—CITY- OR COUNTY-SPECIFIC ENROLLMENT IN FEDERAL ASSISTANCE PROGRAMS, BY PRESCHOOL MEASLES CASES.[1]

Federal Assistance Program	Study Area (percent)					
	Los Angeles (n=177)	Dallas (n=164)	Milwaukee (n=128)	Chicago (n=104)	New York City (n=45)	Total (n=618)
AFDC	50	21	86	.....	65	[2] 52
WIC	29	32	55	61	63	43
Food stamps	44	32	.....	.....	54	[3] 40
Public housing	7	12	26	.....	32	[2] 16
Any program	61	47	91	61	80	65

[1] Defined as vaccine-eligible preschool children with measles.
[2] Includes Los Angeles, Dallas, Milwaukee, and New York City (n=514).
[3] Includes only Los Angeles, Dallas, and New York City (n=386).
Note.—Some percentages exceed 100% because some children were enrolled in multiple programs.

DISCUSSION

Our results indicate that, before their illnesses, between 65% and 93% of unvaccinated preschool children with measles used health care services or federal assistance programs where vaccines are routinely offered or could be offered. Because of a potential ascertainment bias, however, our results may not entirely reflect the magnitude to which unvaccinated preschoolers in the survey areas use such services and programs. Our study population includes children who sought medical care for measles, who were reported to the health department, and who primarily lived in households with telephones; many case children without telephones in the target population were not surveyed. Thus, because case children in Dallas without telephones were more likely to be enrolled in the food stamps program and less likely to use private health care services than those with a telephone, our findings for unvaccinated preschool children with measles may overestimate the use of private health care services and underestimate enrollment in some federal assistance programs (e.g., food stamps). Nevertheless, we provide useful information on a subgroup of unvaccinated children whose illness could have been prevented if they were age-appropriately vaccinated against measles before exposure. Furthermore, although many children may not have been eligible for vaccination at the health care visit preceding exposure to measles, opportunities to educate parents to return for vaccination were potentially lost.

Our study population primarily reported having used a health care service at some time during their lifetime. However, the date of the last health care visit, which was available for children from Dallas and New York City, found use of services to be within 1 year of rash onset; therefore, usage patterns probably reflect 1 year rather than lifetime prevalence.

Use of Health Care Services

Regular access to health care services is a problem for many Americans,[11] particularly low-income persons, which includes many preschool children with suboptimal vaccination coverage levels.[12] Although lack of vaccination may have indicated limited use of health care services in the past, nearly all unvaccinated but vaccine-eligible preschoolers with measles in our study had used some type of health care service, predominantly a primary health care service before becoming ill. The high use of private sector health care can be explained, in part, by a unique private health care delivery system for the poor in Milwaukee (i.e., all AFDC recipients must be enrolled in an HMO).

TABLE 4.—RACE- OR ETHNICITY-SPECIFIC AND AGE-SPECIFIC ENROLLMENT IN FEDERAL ASSISTANCE PROGRAMS, BY PRESCHOOL MEASLES CASES[1]

Federal Assistance Program	Race/Ethnicity (percent)			Age Groups (percent)		
	Black (n=304)	Hispanic (n=216)	White (n=90)	6–11 mo (n=108)	12–15 mo (n=167)	16–59+ mo (n=343)
AFDC	72	57	17	25	46	54
WIC	53	40	18	60	49	35
Food stamps	56	43	11	40	37	42
Public housing	26	9	6	19	19	15
Any program	78	61	29	68	63	65

[1] Defined as vaccine-eligible preschool children with measles.
Note.—Some percentages exceed 100% because some children were enrolled in multiple programs.

The variation we found in the use of health care services by race or ethnicity is consistent with results reported elsewhere;[13,14] however, the age-specific variation we found in not clear. Explanations for these differences include real trends or apparent trends of a cohort effect because of increasing proportions of children living in poverty from the mid- to late 1980s and differences in age-specific vaccine coverage in the public and private health care sectors.

In Dallas and New York City, where eligibility for measles vaccination was also assessed at the health care visit, approximately 50% of the 172 children eligible for vaccination at illness were also eligible at their last health care visit before illness, and, according to parental histories, the health care providers of more than half of these children may have missed as least one opportunity to vaccinate them. It is difficult to assess the validity of parent-reported missed opportunities for measles vaccination because the reason for the health visit was not verified by a physician. Nonetheless, our parent-reported findings are similar to results from physician-verified missed opportunity studies conducted in the United States.[6,7,15–19] Several barriers to vaccination

in public health clinics (e.g., long waiting times, inconvenient hours, and vaccine charges) have been documented as factors contributing to missed opportunities.[20,21] Because our study population probably uses health care services and is covered by health insurance less than the national preschool population, it is extremely important to overcome those barriers so as to eliminate all missed opportunities for vaccination when these vulnerable children do gain access to health care services.

Enrollment in Federal assistance programs

High overall enrollment in federal assistance programs were expected because unvaccinated preschool children live in inner cites and are of low socioeconomic status. However, the city- or county-specific enrollment varied widely among the different areas, reflecting variations in state eligibility requirements for assistance programs (National Federal Assistance Programs, unpublished data). Similarly, the age- and racial- or ethnic-specific differences observed also reflect national enrollment patterns of the different age and racial or ethnic groups.

Implications

The fact that nearly all vaccine-eligible children with measles who were surveyed had visited a primary health care provider during their lifetime before illness is encouraging because it means that this population has gained access to health care services, particularly primary care services where routine vaccination services should be available. All health care professionals should identify children who are eligible for vaccination at every visit to prevent missed opportunities.

Most of these children used private sector health care, and a substantial proportion of those who did were also eligible for Medicaid. This means that in Milwaukee, for instance, where all AFDC recipients must be enrolled in an HMO for health care, measles could have been prevented in up to 87% of the unvaccinated preschool children with measles. In other areas, current Medicaid recipients comprised a substantial proportion of all cases of measles. Thus, close collaboration of state immunization and medicaid programs could enhance age-appropriate vaccination of Medicaid clients and perhaps could have prevented measles in many of the unvaccinated children with the disease (e.g., up to 71% in New York City, up to 49% in Los Angeles, and up to 22% in Dallas).

A substantial proportion of children used public clinics although the proportions varied widely among areas (23% through 46%). Various strategies (e.g., recall and reminder systems through the mail, by telephone, or with outreach workers, and periodic record audits) should be explored to ensure that all public clinic attendees are age-appropriately immunized and that barriers to vaccination in public clinics are eliminated. If the case parents who had used any of the health care services before measles onset had been reminded when their child was age eligible for measles vaccine and had ensured that their child was age-appropriately vaccinated, measles might have been prevented in up to 98% of these children.

Nearly one third of the children had used a hospital emergency department before measles illness. Our report of overall use of such facilities may be underestimated because visits in Milwaukee and Chicago were assessed only if they occurred within the 2-month period preceding onset. The feasibility of routinely vaccinating low-income children in emergency departments is not known and is currently being evaluated.[22]

Because 65% of the vaccine-eligible children were currently enrolled in federal assistance programs, strategies linking these programs with information on the benefits of vaccination or vaccination services may improve preschool vaccine coverage levels. One strategy is to provide mothers with educational material about the importance of vaccines and the seriousness of vaccine-preventable diseases; the effectiveness of this approach has not yet been systematically evaluated. Other possible strategies include routinely screening for vaccination status and referring eligible children for vaccination on site or to health professionals in the community. However, to administer vaccine on site (i.e., in any of these programs) may be logistically difficult because there is no vaccine delivery infrastructure. WIC may be the easiest program in which to accomplish this because it is usually administered by local health departments, and WIC and vaccination clinics are often held in the same building.

Consideration of factors such as race- or ethnic- and age-specific differences is important when vaccine delivery strategies are being developed for unvaccinated preschoolers, particularly those in federal assistance programs. When a service or program is chosen as a site for vaccination, the program that captures the most preschoolers may be the most effective in increasing overall vaccination levels in the preschool population. Although these opportunities varied in the five study areas, private sector health care, AFDC, WIC, and the food stamps program provided the greatest opportunities to reach preschool children at high risk for measles.

Our study suggests that there are a number of opportunities in the routine health care delivery system as well as in other sites outside of the system (i.e., federal assistance programs) to improve the vaccination status of preschool children. Strategies that ensure age-appropriate vaccination, eliminate missed opportunities in primary health care settings, and link immunization services with federal assistance programs should go a long way to improve vaccination levels among inadequately vaccinated inner-city pre-school children at high risk for measles.

ACKNOWLEDGMENTS

The authors appreciate the cooperation and assistance of immunization program staff from the public health departments of Dallas County, Los Angeles County, Milwaukee County, Chicago, and New York City. Special thanks go to Ms. Pamela Eason, Ms. Kathy Fessler, Dr. Stephen Friedman, Dr. Charles Haley, Mr. Walter LaSota, and Dr. Stephen Waterman.

The authors also would like to thank Mrs. Susan Tawfik, Division of Immunization, Centers for Disease Control and Prevention, for graphic support; and Drs. Walter A. Orenstein and Walter W. Williams, Division of Immunization, Centers for Disease Control and Prevention, for their editorial comments.

APPENDIX—STUDY METHODS

Study location	Dates of measles outbreak	Dates of observational period	Target study population[1]	Case subjects interviewed	Case subjects eligible for vaccination	Time before rash onset and earliest use of service or program	Assistance programs assessed
Los Angeles County	January 1987–May 1992	Jan. 27 to May 4, 1990	[2]531	323	177	14 days	AFDC, WIC, food stamps, and public housing.
Dallas County	January 1989–August 1990	Dec. 1, 1989 to Mar. 9, 1990	[3]323	225	164	14 days	AFDC, WIC, food stamps, and public housing.
Milwaukee County	May 1989–June 1990	Sep. 11, 1989 to Feb. 21, 1990	[2]263	198	128	0 days	AFDC, WIC, and public housing.
Chicago	March 1989–September 1990	Jan. 1, 1990 to June 29, 1990	516	127	104	0 days	WIC.
New York City	January 1990–October 1992	Jan. 12 to June 29, 1990	[2]275	99	45	14 days	AFDC, WIC, food stamps, and public housing.

[1] Preschool children reported with measles, from which 200 children were selected from each location.
[2] Only case subjects age-eligible for measles vaccination were targeted for study (in New York City children 6–59 months of age).
[3] 50% random sample of preschool children targeted for study.

FOOTNOTES

[1] Centers for Disease Control. Measles—United States, 1989 and first 20 week of 1990. MMWR. 1990;39:353–355, 361–363.

[2] Centers for Disease Control. Measles—United States, 1989 and first 20 week of 1990. MMWR. 1991;40:369–372.

[3] Atkinson WL, Markowitz LE. Measles and measles vaccine. Semin Pediatr Infect Dis. 1991;2:100–107.

[4] Atkinson WL, Orenstein WA. The resurgence of measles in the United States, 1989–1990. Annu Rev Med. 1992;43–451–463.

[5] Centers for Disease Control. Measles vaccination levels among selected groups of preschool-aged children—United States. MMWR. 1991;40:36–39.

[6] Cutts FT. Orenstein WA, Bernier R. Causes of low preschool immunization coverage in the United States. Ann Rev Public Health. 1992; 13:385–398.

[7] Hutchins SS, Escolan J. Markowitz LE, et al. Measles outbreaks among unvaccinated preschool-aged children: opportunities missed by health care providers to administer measles vaccine. Pediatrics. 1989;83:369–374.

[8] Centers for Disease Control. Classification of measles cases and categorization of measles elimination programs. MMWR. 1983;31:707–711.

[9] Centers for Disease Control. Measles prevention: recommendations of the Immunization Practices Advisory Committee (ACIP). MMWR. 1989;38(suppl):S–9.

[10] Dean AG, Dean JA, Burton AH, Dicker RC. Epi Info, Version 5: A Word Processing Database and Statistics Program for Epidemiology on Microcomputers. Atlanta, Ga: Centers for Disease Control; 1990.

[11] American College of Physicians. Access to health care. Ann Interm Med. 1990;112:641–661.

[12] Hayward RA, Bernard AM, Freeman HE, Corey CR. Regular source ambulatory care and access to health care services. AM J Public Health. 1991;81:434–438.

[13] Council on Scientific Affairs. Hispanic health in the United States. JAMA. 1991;265:248–252.

[14] Trevino FM, Moyer ME, Valdez RB, Stroup-Benham CA. Health insurance coverage and utilization of health services by Mexican Americans, Mainland Puerto Ricans, and Cuban Americans. JAMA. 1991;265:233–237.

[15] Moriniere BJ, Iddings CT, Tapia R, Atkinson WL. Missed opportunities for simultaneous administration of vaccines to children. In: Epidemic Intelligence Service 38th Annual Conference, Atlanta 1989. Atlanta, GA: Centers for Disease Control; 1989:22. Abstract.

[16] Jones JE, White KE, Campbell KL, Farrell JB. Simultaneous childhood vaccine administration: a strategy to improve primary vaccine series completion. In: Proceedings of the 22nd National Immunization Conference, San Antonio 1988. Atlanta, Ga: Centers for Disease Control; 1988:145–148.

[17] Gindler JS, Cutts FT, Zell E, Barnett-Herrera ME, Rullan JV. Successes and failures in vaccine delivery system in Puerto Rico. Pediatrics. 1993;91:315–320.

[18] Farizo KM, Stehr-Green PA, Markowitz LE, Patriarca PA. Missed opportunities for measles vaccination in a pediatric clinic, Los Angeles. In: Epidemic Intelligence Service 39th Annual Conference, Atlanta 1990. Atlanta, Ga: Centers for Disease Control; 1990:59–60. Abstract.

[19] Lindegren ML, Atkinson WL, Farizo KM, Stehr-Green P. Vaccination in pediatric emergency rooms during a measles outbreak, Chicago. In: Epidemic Intelligence Service 39th Annual Conference, Atlanta 1990. Atlanta, Ga: Centers for Disease Control; 1990:60. Abstract.

[20] Orenstein WA, Atkinson W, Mason D, Bernier RH. Barriers to vaccinating preschool children. J Health Care Poor and Underserved. 1990;1:315–330.

[21] National Vaccine Advisory Committee. The measles epidemic: the problems, barriers and recommendations. JAMA. 1991;266:1547–1552.

[22] Rodewald LE. Vaccinating in the emergency department. In: Proceedings of the 25th National Immunization Conference, Washington, DC 1991. Atlanta, Ga: Centers for Disease Control; 1992:111–112.•

COMMENDING HARRIS-STOWE STATE COLLEGE

• Mr. BOND. Mr. President, today I would like to take a few moments to recognize Harris-Stowe State College of St. Louis, MO. On June 23, 1993, Harris-Stowe will be honored for their commitment to education and training in the St. Louis metropolitan area.

Harris-Stowe State College was the first teacher education institution established west of the Mississippi River in 1857, and is now recognized as a historically black college. For over 135 years, Harris-Stowe has provided excellent teachers for school districts all across the country. The college has also produced nonteaching educational specialists equipped to manage the problems of schools in urban settings.

On June 23, Harris-Stowe State College will no longer offer one degree in elementary teacher education. The college will extend to the community a wide range of undergraduate degree programs with an emphasis on professional disciplines designed to meet the needs of the St. Louis metropolitan area.

Mr. President, I would like to extend my sincere congratulations and best wishes to Harris-Stowe State College for their excellence in teaching education, and hopes for continued success in the future.•

FIRST C-17 DELIVERED TO AIR FORCE UNIT

• Mr. BOND. Mr. President, it is a great pleasure to note that yesterday marked the first delivery of a C-17 Globemaster III to an operational Air Force unit. Piloted by Air Force Chief of Staff Gen. Merrill McPeak, the aircraft arrived at Charleston Air Force Base where it will be used to begin training the pilots and maintenance crews of the 437th Airlift Wing. A second aircraft is to be delivered to the unit this summer, with the full squadron scheduled to go into operation in early 1995.

The C-17 is a much-needed aircraft that will fill a looming hole in our airlift capability. The aircraft will provide our military with the capability to deliver large and heavy loads to airfields throughout the world. And the C-17 takes on even greater importance as the Air Force's aging fleet of C-141's—which are already operating under severe altitude and weight restrictions—are retired.

As we bring more of our troops home to bases in the United States and rely less on a forward-based presence, the C-17's importance will grow. Leaders of both the Air Force and the Army have listed it as a priority to meet their responsibilities as we move into the 21st century.

Like any major new procurement, the C-17 has experienced it share of difficulties. It appears, however, that the troubles are behind us. The test program continues at a robust pace with 7 aircraft having logged more than 400 test flights.

Because this program has received so much negative—and in many cases, incorrect—publicity, I believe it is important to set the record straight. For that reason, I ask to enter into the RECORD several articles regarding the current status of the C-17 program. I urge my colleagues to read them closely.

The material follows:

[From Aviation Week & Space Technology, May 10, 1993]

C-17 SHOULD FULFILL USAF AIRLIFT MISSION

(By David M. North)

EDWARDS AFB, CA.—The Air Force sees the Globemaster 3 as the one aircraft capable of providing needed future airlift in a changing and expanding mission and replacing its aging current airlift fleet. At the same time, the ineptitude of McDonnell Douglas in bringing the aircraft to this point in its development, plus a declining defense budget, has placed the program under intense political scrutiny. The more than $1.3 billion in cost overruns, the two-year delay in aircraft deliveries, the alleged program mismanagement and the failed wing structure have made the C-17 an easy target for its opponents. If the C-17 were cancelled today, the Air Force would have to reinvent the aircraft at a greater cost and delay. McDonnell Douglas still has a credibility problem with the program, but it has lowered the production costs and time, and is addressing the technical problems. This is not to say that the C-17 meets all of its technical goals and performance parameters at this time, but as in any concurrent program the fixes are still being accomplished. This pilot report will not recount the C-17's past problems or achievements; Aviation Week & Space Technology has done that over the past 10 years (AW&ST Mar. 22, p. 28; Mar. 15, p. 30). Instead, the report will detail the experiences of the first pilot to fly the aircraft other than a McDonnell Douglas or Air Force test pilot or a four-star Air Force general.

The McDonnell Douglas C-17 should meet the U.S. Air Force's requirement for an aircraft to perform the combined long-range strategic and short-range tactical airlift roles.

In the early 1980s, the Air Force started to look for an aircraft that could carry outsize equipment and land on short, unpaved runways. The aircraft had to be self-sufficient on the ground, use minimal parking space and be able to airdrop troops and equipment. The new transport also had to have ample range with a good size payload, that combined with inflight refueling could reach almost any point in the world.

The current airlift aircraft in the U.S. Air Force inventory—the Lockheed C-5, the C-141 and the C-130—all perform selected elements of the requirements, but not all combined as the C-17 is intended. The airlift fleet also is becoming older. The average age of the C-141B fleet is 28 years, the C-5As average 22 years and the C-5B average six years.

Viewed from the cockpit, the McDonnell Douglas C-17 meets the Air Force's overall requirements that were defined in the 1980s. That is not to say that the P-4 Globemaster 3, flown by this Aviation Week & Space Technology pilot on Apr. 27, meets all those requirements at this time. There were limitations placed on the flight because of technical problems and because the flight test program has not opened up all of the C-17's performance envelope. As with any concurrent flight test program, the manufacturer and the customer are working to solve these problems.

One other journalist pilot and I were allowed to fly the C-17 in the middle of the test program. I had put in a request almost a year ago. The Air Force at first notified me that the flight would take place in January. Then because of software changes to the digital flight control software, the flight was delayed to June. I was notified early in April that the flight would take place in late April.

Although the reason for the schedule shift was not given, it was apparent that the C-17 was coming under extreme political pressure because of cost and schedule overruns, alleged mismanagement and technical difficulties. A positive pilot report from an outside observer would help counter the perception that the C-17 was a technical disaster and could not do the Air Force mission. When I explained to a senior Air Force officer that there was no guarantee of a positive pilot report, the reply was "we will take that chance."

In taking that chance, in my view, the Air Force was right. The C-17 delivered to the Charleston AFB this year will be able to do the Air Force mission and do it well. Because the aircraft is still in flight test, there are still potential technical and performance problems.

For example, the C-17 has only been tested into the stall regime with a forward center of gravity. It will undergo flights with mid and aft c.g. conditions later this year.

The flight from the test facility here was in the No. 4 production C-17 and it was the aircraft's 23rd flight. McDonnell Douglas C-17 chief test pilot Chuck Walls was the designated pilot and was to occupy the right seat while I took the left seat. Air Force Lt. Col. Kermit Rufsvold was the safety officer and observer. Robert Ainsworth was the

flight test engineer from the manufacturer. Bill Yeary and Ted Venturini were the two loadmasters.

Walls performed the outside preflight and detailed some of the C–17's features. The auxiliary power unit is in the forward section of the right landing gear pad. This installation makes the right pad longer than the left, but it did not appear to create an imbalance in flight. Walls said there was no need to clear the APU for use in flight.

The nose-wheel gear system is being modified to include a second actuator for retraction in parallel with the current single actuator. The test pilots are finding that raising the nose gear at a speed higher than 170 kt. sometimes results in an unsafe gear indication.

This was a problem during the C–17's first flight in September, 1991. The single actuator does not have the power to fully raise the gear that retracts forward. The attachment points were installed, but the actuator itself will be added later.

The C–17's large size was highlighted by a C–141 parked nearby. The C–17's length and wing span are within 10 ft. of the C–141; however, the fuselage diameter is within a foot of the C–5.

Rufsvold had started the aircraft's APU prior to our boarding the aircraft and had most of the systems on line. There was a slight delay in starting the engines while the flight crew attempted to get all of the displays and mission computers to agree. There are three identical mission computers in the C–17, and Walls said that in the flight test program, there has been some difficulty getting them into synchronous operation.

This portion of the avionics suite was designed early in the program, and operations have shown that it might have been better to distribute the computer's functions by using different system architecture.

Once the displays were functional and the avionics systems were in agreement, the Pratt & Whitney F117 engines were started. The automatic sequence involved pushing a button on the overhead panel and monitoring the engine parameters with the throttles in idle. It took close to 2 min. to start the large fan engines. Walls said two engines could be started simultaneously to reduce the overall time.

An automatic sequence of internal checking of the spoiler, slat and flap controls required 8 min. while not touching any of the flight controls. In a later software update, the sequence time will be reduced and the manual operation of switches in the overhead will be replaced by a single test button.

The gross weight of the aircraft on the ramp was 431,200 lb., some 153,800 lb. less than the 585,000-lb. maximum allowable weight. The basic empty weight was 274,400 lb., and there was 119,900 lb. of fuel on board. The weight of the eight-person crew was 1,600 lb., and ballast in the front of the cargo compartment was an additional 35,300 lb.

Fuel flow at idle power was 3,900 lb./hr. I added power to start the movement from the ramp and then used the nose-wheel handle to the left of the pilot's seat to maneuver. A digital readout on the primary flight display allowed taxi-speed monitoring. The brakes were effective and provided smooth deceleration at the full range of taxi speeds.

Prior to reaching the runway, Walls had me slow to a 5-kt. taxi speed and perform a 360-deg. turn to assess the C–17's ground handling capability. The aircraft turned almost on its left gear using only the nose-gear steering and not brakes. The ability of the aircraft to make tight turns and to back up using engine thrust reversers is seen as a positive factor when parking a number of aircraft on small ramps. The C–17 has been backed up a 2-deg. grade during tests.

"This is not just a demonstration feature," Rufsvold said. "Reverse will be used operationally all the time." We were not able to try the reverse thrust because during flight test it was found that heat from the engine exhaust caused dimpling to the slats. The slats near the engines will be constructed of titanium, rather than the current aluminum.

The V_r rotation speed had been calculated to be 122 kt. and the V_2 takeoff safety speed was 139 kt. The minimum retract speed for the half-flap setting was 159 kt. and the slats were to be raised at 200 kt. Ainsworth calculated the balanced field length to be 4,800 ft. The wind was from 080 deg. at 4 kt. I lined the C–17 up on Runway 22 at Edwards and advanced the throttles to a 1.2 engine pressure ratio (EPR) setting. The throttles were advanced to the takeoff limit as calculated by the digital electronic engine control and was in the 1.5 range. The electronic engine control does not allow the setting to go past the limits. The temperature on the morning flight was 67F at the 2,310-ft. field altitude.

Acceleration was brisk and nose-wheel steering through the rudder pedals was used on initial roll prior to rotating to a 10-deg. attitude after a ground roll of 4,000 ft. The landing gear was raised prior to 170 kt., and the flaps and slats retracted at the appropriate speeds.

The four-channel digital flight control system was immediately noticeable during the initial climb. Once the climb was established, I was able to take my hands off the stick: roll and pitch stayed constant. As a former Navy attack pilot, and having flown with a control stick in various aircraft, I preferred the stick in the C-17 to the traditional yoke. The installation allows an uninterrupted view of the primary flight display and is more precise in controlling the aircraft. The stick moves fully aft and forward in pitch control, and pivots on a point below the grip in roll control.

Within 4 min., the aircraft was climbing through 10,000 ft. at 3,500 fpm. at 238 kt. Fuel flow was 36,600 lb./hr./ and the EPR setting was 1.35. Passing through 15,000 ft., the C-17 was accelerating to 300 kt., with a fuel flow of 32,6000 lb./hr., and it had taken 6.6 min. to reach this altitude.

Ten minutes after takeoff, the aircraft passed through 20,000 ft. at a 1,900-fpm. climb and burning 28,800 lb./hr. Another 4.1 min. was required to reach 25,000 ft. where the rate of climb was 1,060 fpm. and the speed 309 kt. The rate of climb decreased from this point to the cruising altitude of 33,000 ft. because of turns required to stay within the operating area.

The altitude of 30,000 ft. was reached in 21.1 min. from takeoff, and the rate of climb was 1,100 fpm. Fuel flow was 22,400 lb./hr. and the speed was Mach 0.78., It took 26.7 min. from takeoff to reach 33,000 ft. at the established Mach 0.78 speed. Total fuel used was 13,420 lb. from takeoff.

During the climb to the cruising area I used the GEC head-up display (HUD) as the primary reference for headings, speeds and altitude. Unlike with some HUD displays, I found the digital vertical speed readout easy to assimilate into the scan pattern. The horizontal plan of the operating area was shown on our multifunction displays. The primary flight display, engine normal readouts and configuration layout were shown alternately on the other two displays in the center of the instrument panel.

At a cruise speed of Mach 0.775, fuel flow was 17,000 lb./hr. The flight computer said that at the current gross weight of close to 417,000 lbs., the aircraft could cruise at 34,000 ft. During operational flights, the crew would step-climb the aircraft to higher altitudes, as gross weight decreased with fuel burn. While at cruise Mach, and using less than a third of stick movement for roll control, the rate was positive and brisk. The pitch movement corresponding to control input was immediate but with a slower rate, as would be expected in a large cargo aircraft. This was to be true throughout the flight, and I found aircraft response to be in complete harmony with flight control movement.

One of the primary performance issues surrounding the C–17 is the range and payload figures. McDonnell Douglas promised higher numbers than initially required by the Air Force, and the agreed contract specifications call for a maximum range of 2,400 naut. mi. with a payload of 160,000 lbs. with established reserves. The shortfall in payload when meeting the specified range is close to 9,800 lbs., while the range is almost 220 naut. mil. short when carrying the 160,000-lb. payload.

McDonnell Douglas has instituted a weight reduction program to eliminate 1,435 lbs. The maximum takeoff gross weight is being upped by 5,000 lbs., and the company is trying to identify aerodynamic areas to decrease drag by 1%.

Pratt & Whitney and the contractor agree that the total specific fuel consumption of the F117 engines is 2.5% high. With identified upgrades to the PW2040 commercial engine passed on to the F117, the Air Force will gain a 0.6% decrease in specific fuel consumption.

While additional improvements are possible, the Air Force would have to break away from the commercial engine specifications, and suffer higher spare parts costs and possible reliability and maintainability cost increases. At this time, the service wants to stay compatible with the commercial engine, which has accumulated more than 4.5 million flight hr. in the Boeing 757.

"If you ask an Air Force operator whether he wants to give up the thrust reversers, or some cargo kits to gain 200 naut. mi. to reach an arbitrary range figure, he will tell you to forget it," one senior Air Force officer said. "The current fuel reserve requirements are too high and not realistic for the C–17."

The Pratt & Whitney F117 engines in the C–17 flight test aircraft had gone without an unscheduled removal until a month ago. One engine had to be removed when a carbon seal overheated and failed. The failure came when the aircraft was undergoing a series of negative-g maneuvers. The engine manufacturer is testing the carbon seal, but also is trying to determine if the maneuvers have an operational use.

Prior to my C–17 flight, I had spent 1.5 hr. with Walls in the flight hardware simulator in Long Beach, where he demonstrated many of the automatic functions of the mission computers and autopilot. The navigation system is coordinated by the mission computers using conventional navigation radios, TACAN, four inertial reference units, weather radar and a global positioning system. The autopilot is able to fly coupled mission computer-generated approaches with autothrottle engaged. During the simulator flight, all of the automatic modes appeared to function well. Walls said the vertical navigation profile had not been perfected yet, but that it was under development.

I then retarded the throttles to achieve a maximum Mach of 0.825 at 30,000 ft. While

there was an aural warning of overspeed, there was no buffet in the aircraft. As we descended through 27,000 ft., the speedbrakes were deployed with an initial airframe buffet, which quickly subsided. At 18,000 ft., the rate of descent was 8,000 fpm. and the speed 340 kt.

The leading edge slats were deployed and a 250-kt. speed was established at 15,000 ft. I had requested to look at the performance of the aircraft in a normal inflight refueling situation, although there was no tanker present. Power response from the four F117 engines was positive at this altitude. Engine power response from idle to full power at this altitude was approximately 6 sec.

I found when not monitoring engine power, I often overcorrected for airspeed changes. This was partially due to the long throw of the throttle handles. Roll, pitch and yaw control was effective and by lining the aircraft's nose up on a distant point, I was able to judge the movement of the C–17 as if flying station on a tanker. Walls said the current flight control software had improved aircraft performance during inflight refueling, and most of the test pilots found the maneuver relatively easy to execute.

Stalls would normally have been performed at approximately 15,000 ft. Because of test restrictions, we were unable to do inflight stalls, but they had been done in the simulator. The simulator was equipped with an attitude limiting system (ALS), which prevents further aft stick movement when an appropriate stall speed is reached. The system is being evaluated in one of the test C–17s.

J. D. (Doug) Burns is a McDonnell Douglas test pilot who has flown much of the C–17 high-angle-of-attack testing. He said that, in general, with a forward center of gravity, the C–17 is controllable into the stall with no tendency to pitch up, even when at a maximum of 35-deg. AOA in the clean configuration. At the lower thrust levels, Burns said, there is less buffet into the stall in the clean configuration, while with higher thrust there is less buffet with flaps extended. The ALS will have its "soft" limit at the stick shaker speed of 1.15 to 1.05 of V_{stall} (low stall). The "hard" limit of the ALS will be at the maximum coefficient of lift.

The only surprise so far in the stall work, Burns said, was that with flaps extended the stall speeds are 2–4 kt. higher than predicted. All of the stall testing has been with forward center of gravity, and with no tendency for a deep stall. "There is potential for a deep stall in the mid and aft c. g. regimes, but I do not think it will happen. However, this is why we installed the ALS."

The C–17 was then flown to 7,500 ft. and slowed to 130 kt. with the flaps extended to the ¾ position and the index at 96%. At this point, the loadmaster attempted to open the right troop door but found it difficult to do with the existing door mechanisms. Once the doors were opened, the wind deflectors were deployed and the cargo ramp was open to simulate air drops. There was no change in the aircraft's flight characteristics while holding 130 kt.

Later in the flight, I went down to the cargo hold during a similar open-door maneuver at 130 kt. With the crew chief, I was able to stand in the middle of the cargo ramp with little airflow. The only location where there was some airflow was near the side of the cargo compartment between the troop doors and the open cargo ramp.

I then turned toward Edwards to perform landings. Again, because of the higher than anticipated temperatures of the exhaust gases through the blown flaps, there was a restriction on the use of full flaps for landing. The titanium flaps are due to be installed later this year for flight test. The maximum flap setting was 30 deg. with an index of 96%.

At Walls' suggestion, I established a 5-deg. nose-up attitude on the downwind to Runway 22. The pitch hold made for the digital flight control was selected by depressing a button on the stick and was verified on the HUD. The landing gear and partial flaps were deployed while downwind, with final flaps selected at the 90-deg. position. Flying the C–17 on the backside of the power curve was much like the technique used for carrier landings. As in a carrier approach, the aircraft is flown to touchdown, without flaring to decrease the landing impact. Walls estimated that ground effect lowered the landing vertical speed by about 100–200 fpm.

Speed was set by the pitch, and altitude control was achieved through power changes. From the 1,000-ft. point on final, I placed the flight path vector in the HUD on the end of the runway and attempted to maintain the vector on the same spot. The reference speed during approach was 131 kt. for the 2.5-deg. glideslope approach. The flight path was steady until the last 100 ft. of altitude, when the velocity vector started down. I was not quick enough to catch the vector with power, so the landing was firm. Gross weight of the aircraft was 383,000 lb. on the first landing.

The second approach was tight left-hand pattern to the same runway. Visibility from the cockpit is excellent through the main windows and aided by an eye-brow window and a lower large ground observation window. This time I established the 5-deg. attitude and kept the HUD vector on the 2.5-deg. glideslope reference to touchdown by use of power. The touchdown was much smoother.

Walls retracted power on the No. 4 engine on the downwind, and it would have been undetectable had it not been for a thrust-loss light illuminating near the HUD.

In flying the C–17, as in many modern tactical aircraft, the pilot becomes almost completely dependent on the HUD for primary flight information. The responses made in power settings are dictated by HUD information without reference to the engine instrument displays. The digital flight control system compensated for yaw with the engine out.

The third landing was much the same as the second, even with the engine out. On landing, the throttles were retarded to idle, and the four engines were put into idle reverse using the handles mounted forward on these throttles, which I found easier to manipulate than using the throttles themselves.

Walls later demonstrated a short-field landing without the use of full flaps and reverse thrust. The approach speed was 125 kt. at the aircraft's 350,000-lb. gross weight. Touchdown was at 120 kt., and with full braking, Walls stopped the aircraft in less than 2,800 ft. He said that with use of full blown flaps, the speeds would have been 15 kt. lower.

Total flight time was 2.5 hr., including three landings and much of the time spent at lower altitudes demonstrating the aircraft's air drop capabilities. The fuel used for taxi was 3,000 lb., and the total fuel used from engine start to stopping on the taxiway was 55,300 lb.

Aircraft P-4 had a number of nuisance faults during flight, including stall warnings when not in stall conditions. There was a failure of the heading select function of the autopilot during flight. However, when these faults are measured against the complexity of the aircraft, they seem minor.

More of concern, however, are the technical problems that limited what we were able to accomplish during the evaluation flight. The lower nose-gear retraction speed because of the actuator, and the inability to use reverse thrust and full flaps because McDonnell Douglas did not correctly estimate the effect of the engine exhaust on the slats and flaps, are key examples of technical difficulties. The failed-wing-related flight restrictions also are delaying the development program.

If McDonnell Douglas has accurately established the fixes for these problems—and moves quickly to fix any further problems identified during flight test—then the Air Force will receive a good aircraft to fit its mission.

C-17 SPECIFICATIONS

Powerplants: Four Pratt & Whitney PW2040 (military F117-PW-100) engines with 41,700 lb. of thrust each.

WEIGHTS: Maximum gross weight, 585,000 lb. (265,590 kg.); Maximum payload, 172,200 lb. (78,109 kg.); Approx. empty weight, No. 4, 274,400 lb. (124,578 kg.); Fuel capacity, 176,200 lb. (79,923 kg.).

DIMENSIONS: Length, 174 ft. (53.04 meters); Wingspan, 171.2 ft (52.2 meters); Height at tail, 55.1 ft. (16.79 meters); Wheel to wheel (outside), 33.7 ft. (10.3 meters); Fuselage diameter, 22.5 ft. (6.86 meters); Cargo floor length, 68.2 ft. (20.8 meters); Ramp length, 19.8 ft. (6.04 meters); Loadable width, 18 ft. (5.48 meters); Cargo floor height, 12.3 ft. (3.75 meters); Wing area, 3,800 sq. ft. (353 sq. meters); Aspect ratio, 7.165.

PERFORMANCE: Range/160,000 lb. payload, 2,400 naut. mi.; Cruise speed, Mach 0.77 at 28,000 ft; Ferry range, 4,600 naut. mi.; Service ceiling 45,000 ft.; Takeoff length/MGW, 7,600 ft. (2,318 meters; Landing length/max payload, 3,000 ft. (915 meters).

FIRST OPERATIONAL C–17 ARRIVES IN CHARLESTON

(By Bruce Smith)

CHARLESTON, S.C. (AP).—The Spirit of Charleston, the first of the Air Force's controversial C–17 cargo planes in active service, arrived in its namesake city Monday greeted by cheers and a brass band.

"We do have something of an image problem. And that's hard for me to understand because this is a great airplane," said Air Force chief of staff Gen. Merrill A. McPeak who flew the plane into the Charleston Air Force Base.

Before landing, McPeak flew a flyby about 300 feet above the crowd of about 2,000 gathered to welcome the mammoth gray jet.

The C–17 is the newest Air Force cargo plane. It can carry more cargo and land on shorter runways than other planes in the Air Force's aging transport fleet.

Under present plans, Charleston will wind up with 52 of the new transports to replace its aging C–141s. The average C–141 is 27 years old.

Brig. Gen. Thomas Mikolajoik, commander of the Charleston base, said the C–17 is important as the military pulls back from overseas but still must respond quickly to threats worldwide.

"The C–17 is our global reach for the 21st Century," he said.

U.S. Sen. Strom Thurmond, R–S.C., who attended along with U.S. Sen. Ernest Hollings, D–S.C., and U.S. Rep. Arthur Ravenel,

R-S.C., called the aircraft "an example of the United States' technology at its best."

But the plane has been plagued by $1.5 billion in cost overruns, structural deficiencies on wings, a delayed flight test program and financial irregularities.

In April, Defense Secretary Les Aspin fired the Air Force general in charge of the project and disciplined two others as well as a civilian employee for mismanaging it.

The Pentagon is reviewing the $40 billion program. A decision on whether to continue is expected in August.

McPeak, who said the plane "flies just like a fighter," said other recent military weapons projects also have had their problems in development.

"They ended up being all bruised and battered. But then when we have to turn around and use them, as in Desert Storm, they worked exactly like we wanted them to," he said.

He said he didn't know if Congress might cut the program.

"There's always a chance because the defense budget is getting cut quite rapidly and deeply," he said. "Whatever the image of the C-17 today, it will not be long before it's turned around."

John McDonnell, the chairman and chief executive officer McDonnell Douglas Corp., agreed the program has had its problems. McDonnell Douglas is the manufacturer of the airplane.

"We believe we're getting those problems in line," he said.

But he would not say whether people would be fired because of the recent problems.●

MEASURE PLACED ON THE CALENDAR—H.R. 2205

Mr. MITCHELL. Mr. President, I ask unanimous consent that H.R. 2205, the Trauma Care Systems Act, just received from the House, be placed on the calendar.

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

MEASURE PLACED ON THE CALENDAR—S. 1113

Mr. MITCHELL. Mr. President, I ask unanimous consent that S. 1113, a bill relating to trauma care programs, introduced earlier today by Senators KENNEDY and KASSEBAUM, and others, be placed on the calendar.

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

THE TRAUMA CARE AMENDMENTS ACT OF 1993

Mrs. KASSEBAUM. Mr. President, I am pleased to join with Senator KENNEDY in the introduction of the Trauma Care Amendments Act of 1993. This legislation extends the authorization of the Health Resources and Services Administration Trauma Care Program. It also authorizes a General Accounting Office study which could result in the streamlining of all Federal emergency medical service [EMS] and trauma care programs—thus saving scare Federal resources and enhancing Federal service delivery.

The Trauma Care Program was first authorized in 1990 to develop a model plan for State EMS and trauma care programs and to implement two separate grant programs. The first provides grants to States to assist them in developing and implementing their own plans. The second provides for rural demonstration projects to study innovative approaches to serve these populations.

Although this program has received only limited appropriations—just $5 million in 1993—much has been accomplished. The model State plan is completed, and 23 States are now receiving Federal grant funding to implement their own EMS and trauma plans. In addition, five rural demonstration grants have been distributed and are anticipated to yield results within the next few years.

Mr. President, there are many Federal entities involved in trauma and EMS services. This may result in program duplication, and according to Kansas State health and transportation officials, service delivery problems. The Federal Government currently administers 16 separate EMS and trauma care programs. The entities involved include the Federal Emergency Management Agency, General Services Adminstration, Department of Agriculture, Department of Defense, Department of Health and Human Services, Department of Transportation, Federal Interagency Committee on EMS, and the Department of Veterans Affairs.

In order to streamline Federal EMS and trauma care programs, this legislation directs the GAO to conduct a trauma and EMS Program study. This proposal, which I developed, directs the GAO to examine the consolidation of EMS and trauma care programs. Furthermore, the GAO will recommend a Federal entity which should be the lead agency for such programs.

Finally, I am pleased that this bill will limit the mandated number of Trauma Advisory Council meetings to one a year. The current law requires that this council meet a minimum of four times a year. It is my hope that Federal resources saved as a result of this change will be utilized to enhance the rural trauma and EMS activities.

Mr. President, I believe this legislation will lead to an eventual streamlining of Federal EMS and trauma care programs. Together, these programs provide valuable support to the States and help support many important lifesaving services for all Americans.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 a.m. tomorrow, Wednesday, June 16; that following the Prayer, the Journal of proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that the Senate then resume consideration of S. 3, the pending bill.

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

PROGRAM

Mr. MITCHELL. Mr. President, and Members of the Senate, I believe we have progressed as far as we can today on this bill. Several amendments have been offered, debated, and set aside, and under the previous order I have the authority to set the cloture vote tomorrow, following consultation with the Republican leader.

I have discussed the matter with the Republican leader, have consulted with him, and it is my intention to set that vote to occur at or about 5 p.m. tomorrow.

We will come on the bill at 9 a.m., and we will have throughout the day to work on the various amendments on which Senators would like votes.

Those include two or three amendments previously referred to by Republican Senators and at least one and possibly two by Democratic Senators. There remains to be worked out tomorrow the precise timing of those matters between the managers of the bill, but I do want to make clear whatever has to be done with respect to such measures will have to be done prior to approximately 5 p.m.

I will not actually set the time now. But, for the information of Senators, I want to make clear that is my intention, and I will discuss it further tomorrow with the managers and the distinguished Republican leader.

Mr. MCCONNELL. Mr. President, I understand the majority leader's announcement. I have nothing to add.

There will be Senators here tomorrow ready to offer amendments and to get votes on them.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess until 9 a.m. tomorrow, as under the previous order.

There being no objection, the Senate, at 8:19 p.m., recessed until Wednesday, June 16, 1993, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 15, 1993:

DEPARTMENT OF ENERGY

ROBERT RIGGS NORDHAUS, OF THE DISTRICT OF COLUMBIA, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF ENERGY, VICE JOHN J. EASTON, JR.

HOUSE OF REPRESENTATIVES—*Tuesday, June 15, 1993*

The House met at 11 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, gracious God, to appreciate the gift of trust, that kind of relationship that invites people to work together in respect, to live together in harmony, and to learn together in mutual appreciation. We recognize the risk of having trust in another and how that trust can be misplaced or put aside, yet we realize too that the fabric of our lives depends on a level of understanding and appreciation and confidence in one another. Open our hearts and our minds and eyes to other people in ways that allow us to work together for the welfare of the people we serve. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. UPTON. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. UPTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 237, nays 151, not voting 45, as follows:

[Roll No. 220]

YEAS—237

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Bacchus (FL)
Barca
Barcia
Barrett (WI)
Bateman
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Borski
Boucher
Brewster
Brooks
Browder
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
English (AZ)
English (OK)
Eshoo
Evans
Fields (LA)
Filner
Fish
Ford (MI)
Frank (MA)
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Green
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Harman
Hayes
Hinchey
Hoagland
Holden
Houghton
Hoyer
Hughes
Hutto
Inglis
Inslee
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McHale
McInnis
McKinney
McNulty
Meehan
Meek
Menendez
Miller (FL)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Natcher
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Roth
Rowland
Roybal-Allard
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schumer
Scott
Serrano
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Spence
Stark
Stenholm
Stokes
Strickland
Studds
Swett
Swift
Synar
Tanner
Tauzin
Tejeda
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt
Waxman
Wheat
Williams
Wilson
Wise
Wyden
Wynn
Yates

NAYS—151

Allard
Armey
Bachus (AL)
Baker (CA)
Ballenger
Barrett (NE)
Bartlett
Bentley
Bereuter
Bliley
Blute
Boehlert
Boehner
Bonilla
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clay
Coble
Collins (GA)
Cox
Crane
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Emerson
Ewing
Fawell
Fields (TX)
Fingerhut
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gilchrest
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Hancock
Hansen
Hastert
Hefley
Herger
Hobson
Hoekstra
Horn
Hunter
Hutchinson
Hyde
Inhofe
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
McCandless
McCollum
McDade
McKeon
McMillan
Meyers
Mica
Michel
Molinari
Moorhead
Morella
Murphy
Nussle
Packard
Paxon
Petri
Porter
Portman
Pryce (OH)
Quillen
Quinn
Ramstad
Ravenel
Regula
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Saxton
Schaefer
Schiff
Schroeder
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowe
Stearns
Stump
Sundquist
Talent
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Vucanovich
Walker
Walsh
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—45

Baesler
Baker (LA)
Barlow
Barton
Bilirakis
Bonior
Brown (CA)
Bunning
Engel
Everett
Fazio
Flake
Foglietta
Ford (TN)
Frost
Gordon
Hastings
Hefner
Henry
Hilliard
Hochbrueckner
Hoke
Huffington
Jefferson
Kleczka
Lewis (GA)
Lipinski
Lloyd
McHugh
Mfume
Miller (CA)
Montgomery
Myers
Neal (NC)
Rostenkowski
Rush
Santorum
Sharp
Solomon
Spratt
Stupak
Thompson
Washington
Whitten
Woolsey

□ 1126

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). The Chair recognizes the gentlewoman from Illinois [Mrs. COLLINS] to lead the House in the Pledge of Allegiance.

Mrs. COLLINS of Illinois led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will limit 1-minute speeches to 10 1-minute speeches on each side.

PRESIDENT CLINTON'S BUDGET

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, the economy has shown some encouraging signs thanks to the leadership of President Bill Clinton.

The bond market is steady and favorable interest rates have propelled mortgage rates to a 20-year low.

Middle-income people are buying new houses or refinancing their existing homes.

To keep the economy on track, President Clinton and the Congress need to approve a budget that substantially cuts the deficit and makes real cuts in Government spending.

Bill Clinton's plan achieves $500 billion in deficit reduction over 5 years. It also slices $246 billion in Government spending.

No other plan presented this year—has as much deficit reduction as the Clinton economic plan.

Mr. Speaker, the American people are fed up to their eyeballs with the finger wagging and the name calling spewing from this Chamber. They want solutions, not partisan slam dunks.

The American economy is the most vibrant in the world. Our lifestyle and our standard of living leads all industrialized nations. The Congress and the President must enact a real economic plan so our children and our grandchildren can assume their stances as world leaders.

I urge my colleagues in the other body to follow the House's example and to move forward on President Clinton's economic package. Let us get on with it.

VOTE DOWN STRIKER REPLACEMENT

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LINDER. Mr. Speaker, as the Democratic leadership tries to pass the Strike Enhancement Act today, they should keep this fact in mind: The American people don't want it.

In fact, in a poll conducted earlier this year the American people rejected the basic concept behind this striker replacement legislation, by a margin of 60 to 29 percent.

If the majority of Americans don't want this legislation, who does? The answer is union bosses and their allies here in the House.

This legislation will promote strikes, slow economic growth, hurt American competitiveness, and kill jobs. And still the majority leadership wants to enact this bill into law.

Mr. Speaker, we need to stop business as usual. We need to show the American people that the Congress is not owned lock, stock, and barrel by union bosses. We need to do what is right for the country.

We need to vote down striker replacement.

□ 1130

LET US NOT SUFFER THE FATE OF THE DINOSAURS

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, Jurassic Park is not the only place with dinosaurs in 1993. There are a few right here in the Congress and each of them is feeding on the President's budget proposal. Every time we try to address the giant issues of our time like health care, homelessness, and joblessness, the doleasauruses take a bite out of the budget package.

Each time we take one step toward deficit reduction, the flying doleasauruses swoop down and try to scare us back to the Reagan-Bush years of fiscally irresponsible budgets.

Mr. Speaker, these are not prehistoric times. Today, we need to work together with positive approaches to the enormous challenges of our time. I hope all of the doleasauruses in the other body realize that the American people will not be intimidated. They demand a responsible budget that addresses our modern-day conditions, resolves modern-day problems and reduces the current staggering deficit. Otherwise we all may suffer the fate of the dinosaurs. They became extinct.

STRIKE H.R. 5

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the effect of passing H.R. 5, the so-called Strikemaker Act, is obvious. American small businesses, the engine of the U.S. economy, would be held hostage to the mandates of large labor unions. Passage of this bill would grant big union bosses powers to paralyze small business and the American economy unseen since Jimmy Hoffa began pushing up daisies under the 50-yard line.

Under H.R. 5, unionized workers could strike at any time, for any reason, without the threat of being replaced. American small businesses would be absolutely powerless to resist such pressures.

During the Presidential campaign, candidate Clinton spoke of bringing American management and workers together to cooperate in creating economic growth. With the passage of H.R. 5, the President instead seeks to point a gun at the head of American small business, the driving force behind our economy. It's time for the President to stop playing Russian roulette with American jobs. American small businesses are tired of serving as target practice.

SUPPORT THE CESAR CHAVEZ WORKPLACE FAIRNESS ACT

(Mr. TUCKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TUCKER. Mr. Speaker, I rise in strong support of H.R. 5, called the striker replacement bill, otherwise known endearingly as the Cesar Chavez Workplace Fairness Act.

Mr. Speaker, this legislation, quite frankly, is for the little guy in today's world, the blue-collar workers. No matter what political rhetoric is rendered on the other side of the aisle, the bottom line is that the permanent replacement of the striking employee is wrong, and it is time for this body to unequivocally say so.

If this legislation is not passed, we could have the same type of situation that we had with the air traffic controllers during the Reagan years, one that created strikers to be replaced by permanent replacement.

This bill is not about encouraging more strikes, Mr. Speaker, nor for that matter will it cripple American industry or our economy. Strikes are usually the last resort in labor disputes.

Second, our competitors such as Japan and Germany already guarantee jobs to their striking employees. Let us not lose any more ground to our competitors. Let us not continue to hang the proverbial sword of Damocles over the heads of those workers who want to exercise their right to strike.

Let us pass this bill and make the later Cesar Chavez proud.

H.R. 5: LET NATURE TAKE ITS COURSE

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker and my colleagues, let us call striker replacement legislation what it really is: the Jurassic Park for big labor unions. Lumbering giants that are on the verge of extinction are now being given their own special protection by their friends on Capitol Hill and by big government.

Why do I say that? For the first time in the history of our country, we are going to create two classes of employees, those who belong to the union with their own special rights and privileges, and the other 89 percent of the American workers that do not have those same privileges. This is welfare for big labor unions with declining membership. They are looking for special-interest legislation that will help, in

fact, give them a Government-sponsored and Government-assisted membership drive. We should not do this.

Let us do and allow to happen what happened to the big dinosaurs back many millions of years ago: Let nature take its course.

INTRODUCTION OF THE FEDERAL EMPLOYEE ANTISTALKING ACT OF 1993

(Miss COLLINS of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Miss COLLINS of Michigan. Mr. Speaker, I watched with great horror the senseless murders of innocent post office employees in Dearborn, MI, and Dana Point, CA, last month. These malicious attacks on Federal Government employees solely because of the job they perform are not isolated events but the unfortunate continuation of a trend that has been developing for several years. In communities nationwide, innocent Government employees have been needlessly massacred, and even more have been continuously harassed and threatened because of their jobs. This must stop now.

I believe this senseless violence is controllable. As a result, I have introduced H.R. 2370, the Federal Employee Antistalking Act, legislation that will make the stalking of Federal Government employees in the executive and legislative branches of Government, including the U.S. Postal Service, a Federal criminal offense. To date, Members in both bodies have sponsored antistalking legislation, but none of these measures have been directed at Federal Government employees who are prime targets for, and victims of, stalking attacks.

I believe this commonsense legislation is long overdue and I, therefore, urge my colleagues to join with me and ensure the safety of those people that make our Government work every day of every year.

OPPOSE THE STRIKEMAKER BILL

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, I urge my colleagues to oppose the strikemaker bill when it is considered today.

The current negotiation process is balanced. It is fair to both labor and management, and it works. Currently, labor's negotiation tool is a threat of a strike, and management's tool is a threat of replacement.

Under the current system, strikes are rare, and actual replacement of strikers is even more rare.

H.R. 5 would tip the scale and give labor the upper hand in negotiations, because there would be no recourse to crippling strikes. This bill will encourage more strikes, which will encourage more companies to look overseas for new plant locations where there is a friendly labor environment.

All of this will lead to a worsening economy, put families out of work, and more unemployment.

Labor and management need to work together. This legislation will put them at odds.

Vote against more strikes by voting against H.R. 5.

H.R. 5 IS ABOUT EQUITY IN THE WORKPLACE

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the vote today on striker replacement is about equity in the workplace, equal protection for all workers, to restore balance between management and labor, and to make sure that our workers are treated the same as our two main competitors, Japan and Germany.

Mr. Speaker, there is another reason this bill is a good bill. The bill will give a needed boost to our unions, and unions have been good for this country.

Mr. Speaker, it is insulting to say that this bill is going to encourage workers to strike. Our workers want to work. They want to produce. They want equity and safety, and they want equal pay.

THE STRIKE PROMOTION BILL

(Ms. PRYCE of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE of Ohio. Mr. Speaker, as we consider the strike promotion bill that is due on the floor today, we should ask ourselves one basic question: Does this Nation really need more strikes to get out of the recession?

As our businesses try to compete in the world market, the last thing they need is the lower productivity and diminished quality that go hand in hand with labor strikes.

Frankly, our Nation's economy can't afford the strike promotion bill of 1993.

Mr. Clinton, in his campaign for President, was constantly reminded that the most important issue in front of the American people was the economy, and often these days many on the other side of the aisle have complained that there are not enough jobs being produced.

Well, if this strike promotion bill is passed, the only new jobs created will go to labor lawyers. Is that what this country really needs?

I do not think so, Mr. Speaker. Let us kill the strike promotion bill before it kills our Nation's economic growth.

□ 1140

PUSHBUTTON STRIKE

(Mr. GOODLATTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOODLATTE. Mr. Speaker, for over 50 years when employers and those employees who belong to unions have negotiated employment agreements, we have had a balanced bargaining system giving rights to both sides.

Now, however, one side, big labor, and their allies are trying to ram through a push-button strike bill which, if passed, will threaten the rights of just about every worker in every community across my Sixth District of Virginia and across our entire Nation.

H.R. 5 will give union bosses the power to call virtually any strike they want and win any strike they call by forbidding employers from hiring permanent replacement workers.

This is unfair to small business owners and workers who will be faced with going out of business and losing jobs when they cannot operate during a strike.

This is unfair to 90 percent of the workers in my district who do not belong to unions and will not be allowed to fairly compete for jobs.

This is unfair to all Americans because it is unbridled power that will bring our economy to a grinding halt. Let us not allow the breakdown of the good labor-management relations that exist in this country today.

TOUGH CHOICES ON THE NASA AUTHORIZATION

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker and colleagues, you know, the American people are really ahead of the Congress on the issue of deficit reduction. We simply have to achieve more deficit reduction, particularly more cuts, if we are going to get the economy back on track and provide more jobs.

I think we have to make some tough choices on the NASA authorization.

I applaud the Committee on Science, Space, and Technology for deciding to terminate the advanced solid rocket motor program, but unfortunately I think they missed the big one, and that is the space station. NASA has proposed a diverse menu of recently designed alternatives: Option A, the so-called austere option; option B, the baseline; option C, the can.

Unfortunately, I think our only option is to postpone it, postpone it 10 or 15 years until we can afford it, because we cannot get the economy back on the right track until we reduce the deficit, ladies and gentleman, and we have to get about doing that.

DON'T UPSET THE BALANCE

(Mr. BARRETT of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARRETT of Nebraska. Mr. Speaker, we all know that if too much weight is placed on one side of the scale, it upsets the equilibrium. H.R. 5 would upset the delicate scale, in worker-management relations.

This bill, properly termed the "strike bill," will encourage union workers to strike. Because union strikers would be guaranteed their job back, when they decided to return to work, more strikes will occur.

H.R. 5 supporters deny this claim, but we can look to our neighbors in Canada for the facts.

When the prohibition of the permanent replacement workers was enacted in 1984, 7,546 strikes occurred in the 3 years that followed. That averages 48 strikes every week.

According to the Journal of Labor Economics, the single most important factor in this increase was the permanent replacement prohibition legislation, like H.R. 5.

I urge the body to consider this question: Does America really want a policy of "strike first, negotiate later. I don't believe Americans do?"

Mr. Speaker, I urge my colleagues to vote against H.R. 5.

ADDITIONAL RESEARCH ON LUPUS

(Mrs. MEEK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEEK. Mr. Speaker, I am pleased today to introduce a bill providing for additional research efforts to treat and eventually cure lupus.

This is an autoimmune disease that afflicts women nine times more than men, and it affects African-American women three times more often than white women. If it is not treated at the early stages, its consequences can be severe and even fatal. Like many African-American women, I have had close relatives and friends with this disease. One of my sisters died of lupus.

An important component of my bill deals with educational efforts. Because lupus mimics so many other diseases, it is hard to diagnose, and many potential lupus victims may not have an awareness of this disease. Education is necessary for medical personnel as well as for high-risk populations, and I hope we can build on programs already initiated by the National Institute of Arthritis and Musculoskeletal and Skin Diseases.

NIH has begun some new research efforts that show great promise, but the National Institutes of Health needs to do more. Much more work needs to be done. I am hopeful that through my legislation, research on this debilitating disease can get the attention and resources necessary to find a cure.

Mr. Speaker, I urge my colleagues to support my bill and join me in the fight against lupus.

STRIKER REPLACEMENT LEGISLATION IS ANTICOMPETITION

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, it appears today we are going to vote on striker replacement legislation, H.R. 5, a bill that would allow workers to strike a workplace and the employer would have to guarantee that job after the contract negotiations. The issue here is jobs and competitiveness.

Mr. Speaker, as we prepare to take up H.R. 5, we should face the fact this bill will badly damage American competitiveness, costing countless Americans their right to work and the opportunity for a better future.

Passing this legislation will destroy the existing balance of power in negotiations that encourages management and labor to bargain hard, but bargain fairly. With labor law tilted overwhelmingly in favor of strikers, work stoppages will become more common and the American economy will be the loser. As we are fighting to keep manufacturing jobs in this country in spite of high taxes and over-regulation, this bill sends the ultimate message to employers—life will be simpler if you do business somewhere else. And that somewhere could be Mexico under the NAFTA agreement.

If this bill becomes law, fewer companies will be able to compete in the world marketplace, more jobs will move overseas and our children will have less opportunity in their future.

Vote to keep America competitive. Vote no on H.R. 5.

U.N. POPULATION FUND

(Ms. FURSE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FURSE. Mr. Speaker, the United Nations Population Fund is the largest multilateral distributor of contraceptives and family planning services. These programs include education on maternal and child health care, birth control, and the distribution of contraceptives. They do not promote or assist in coercive practices anywhere in the world.

Through the Fund the United States is able to serve approximately 140 nations, 80 which would not otherwise receive U.S. aid. Today, 500 million women worldwide want and need family planning but lack either the information or means to obtain it. Nearly 1,500 women die every day because of complications from pregnancy and abortion. Over the last two decades the number of rural women living in absolute poverty rose by about 50 percent, from an estimated 370 million to 565 million. These statistics indicate a genuine growing need for family planning and health services.

The resumption of funding for the population fund under the provisions outlined in the foreign aid authorization bill prohibits the use of any amount of the money for China, while insuring that millions of women around the world receive the family planning and health services they need. The resumption of funding for the United Nations Population Fund means healthier lives for the women who need it most.

THE ADMINISTRATION'S FAILED POLICY ON HAITI

(Mr. MICA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICA. Mr. Speaker, 4 days after the November election I sent a telegram to President-elect Bill Clinton. I pleaded with him then that Haitians would suffer, die and become wards of the state if he did not heed our warnings. This week America is witnessing, and Florida is receiving, the tragedy of that failed policy. AIDS-infected Haitians will not return to a democratic and economically stable nation.

While this administration can make rapid fire decisions to machine gun anarchists in distant Somalia, that same administration cannot help change the fate of a small island nation in our own hemisphere.

Last week Bill Clinton signed a law that banned HIV-infected aliens; this week Bill Clinton ignored that law. Unfortunately for Americans, Floridians, and Haitians, we have seen the manner in which this administration deals with its failed policies.

□ 1150

IRS AND FOREIGN FIRMS IN AMERICA

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, foreign companies in America understated their incomes in 1992 by more than $1 billion. Out of 3,300 foreign firms, more than half were cheating, ripping us off.

No. 1 on the list, Japan, $508 million.

No. 2, England, $460 million.

No. 3, Canada, $134 million.

No. 4, Germany, $124 million,

On and on and on, but let one hard-working American company make an honest mistake and the IRS gets in their face.

I say maybe if the IRS cracked down on these foreign ripoff artists, Congress would not have to raise taxes as high on the American people.

Mr. Speaker, it is time for the IRS to do its job. Do not just hassle American companies. Start looking at these ripoffs from overseas.

GIVE SUMMARY EXCLUSION POWERS TO U.S. IMMIGRATION OFFICERS

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, last week this Member addressed the House about the *Golden Venture*, the freighter laden with illegal aliens that ran aground in the district of our colleague, the gentleman from New York [Mr. SCHUMER]. Since that time two more ships with yet another 300 illegals from China were intercepted in San Francisco. And these are not isolated incidents. Indeed, the Immigration and Naturalization Service [INS] will tell you that, at any given time, they are tracking some 20 ships known or suspected to be smuggling illegals into the United States. And these are just the ships they know about!

The burden imposed on American taxpayers by the massive numbers of illegal immigrants is mind-boggling. In New York City alone, there is a backlog of 62,000 individuals facing deportation proceedings. Guess how many can be found for deportation? These are just the individuals that have been caught and are requesting political asylum. And, because they have uttered the magic words "political asylum," they are currently entitled to an immediate green card, various welfare benefits, and full judicial review.

Under the present system, individuals know that our immigration laws can be manipulated. They know that, no matter how flimsy a claim of political asylum may be, they stand a great chance of remaining in the United States. What is desperately needed is the ability to prevent patently fraudulent claimants from clogging the asylum review process. The Immigration and Naturalization Service is begging for summary exclusion powers.

Mr. Speaker, there is no realistic alternative to granting the INS summary exclusion authority. Some Members, like our distinguished colleague, the gentleman from New York [Mr. SCHUMER] have argued that preinspection stations at the leading international airports could screen out the illegal immigrants. For a variety of reasons, that approach simply will not work, as demonstrated by the INS experiment in London's Heathrow Airport.

The organized gangs that control the flow of illegal immigrants will simply switch and use airports that do not have a preinspection station. Moreover, preinspection won't do anything to stem the tens of thousands who are coming by ship. Indeed, the State Department recently testified to the Foreign Affairs Committee that preinspection stations just won't work. Preinspection stations are not an alternative to summary exclusion.

Legislation has been introduced that would provide the much-needed summary exclusion power. The Exclusion and Asylum Reform Act (H.R. 1355), introduced by the gentleman from Florida [Mr. MCCOLLUM], would provide this summary exclusion authority for political asylum claims that are clearly fraudulent. Indeed, the gentleman from Florida has been pressing for these reforms for over a decade. Unfortunately, the Judiciary Committee has not seen fit to act on this vital legislation.

Mr. Speaker, the crisis in our immigration policy is not going to go away. This body must act to grant summary exclusion authority to our INS officers, and we must act now.

THE INTERNATIONAL RELATIONS ACT OF 1993

(Ms. E.B. JOHNSON of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. E.B. JOHNSON of Texas. Mr. Speaker, I rise today to voice my concerns about H.R. 2333, the International Relations Act of 1993.

Mr. Speaker, we have before this body today a $9.7 billion authorization bill which contains $900 million for the former Soviet Union bringing the total authorization of United States assistance in fiscal year 1994 to $2.5 billion. In contrast, this same bill contains only $900 million in development assistance for the entire continent of Africa.

I have heard the arguments of experts who point to this Nation's "strategic interests" as the rationale for what I view is a gross inequity. However, in my mind, in this 21st century world in which we live, our toughest fights will be fought on the economic battlefield not with cold-war tactics and mentalities.

It seems to me that our new "strategic interests" should be based on forging new markets and elevating other economies to a level where American goods can be sold at a price where we do not have to produce them overseas.

Africa has been neglected for too long in this Nation's foreign policy. Worldwide, the United States is responsible for less than 10 percent of official development aid to Africa. As one who traces her roots back to that continent, I cannot sit idly by and support a package that sends $9.7 billion overseas to a former superpower while an entire continent must divide up less than 10 percent of our development assistance. How can I explain to my constituents why I support spending priorities which perpetuate neglect?

We need to focus seriously on the question of Africa in our foreign policy and develop new and creative strategies to foster sustainable and mutually beneficial economic development. We must reevaluate our priorities so as to produce a balanced humanitarian and economic rationale that yields an equitable distribution of foreign assistance.

HIV HAITIANS II

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Mr. Speaker, per the orders of a Federal judge from New York, the first Haitians afflicted with the HIV virus arrived in the United States yesterday. More are expected in the coming days, raising health and financing concerns from the States affected and the American people.

But the response from the White House has been official silence. Published reports say the administration will not appeal the judge's decision, opening a pandora's box of immigration policy by judicial decree.

If this is true, then at least the White House needs to fully and forthrightly provide information on how they will react in this and similar cases. Who will care for these individuals? Who will pay their medical bills, feeding, housing, and so forth?

The taxpayers and social services of States like Florida, New York, California, and Texas already suffer under the strain of thousands of unaccounted-for refugees and the lack of Federal support. We cannot afford silence this time. We need answers, and we need them now.

CHINESE IMMIGRANTS

(Ms. VELÁZQUEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, I rise today to discuss an issue of great human concern. I am referring to the plight of the nearly 400 immigrants of the ship *Golden Venture*, whose ill-fated voyage has brought the suffering of these individuals to the attention of the American people.

It is a case that alerts us to the victimization that so many people coming to this country are subjected to, as they are charged exorbitant passage fees by smugglers who then force them to work in what could only be described as slave-like conditions. But lest we contribute to their double victimization, we must strive to ensure the lawful and humane treatment of all people coming to our Nation. This

means that we should expedite the processing of asylum cases, we should assure their access to legal representation as mandated by international law, and we should minimize their time of detention and facilitate their reunion with family members.

Ours is a nation that holds great promises for people around the globe, people who are willing to risk their lives to flee persecution and arrive at our shores—It is, therefore, that we must be extremely careful to learn the correct lessons from the case of the *Golden Venture*.

HIV-INFECTED HAITIANS

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, yesterday 27 Haitians arrived in the United States, all of them carriers of the deadly HIV virus. These were the first of 140 such people, to be admitted over the next 10 days in direct contravention of Federal law.

What kind of irresponsible and insane policy is it to permit carriers of a deadly communicable disease into our country? Yet this is the policy of the Clinton administration, a decision undoubtedly made at the White House.

Yes, we will be told that there is a court order to move these infected people out of Guantanamo. But the Clinton administration consciously chose not to seek a stay of that decision, either from the judge that issued it, or from a higher court.

It is the No. 1 responsibility of any elected official, especially the President, to protect the lives and freedom of the people of the United States. Letting Haitians or anyone else into our country carrying a deadly disease is an outrage, a crime against our citizens. Hopefully, the only price our people will pay is the enormous medical bills of these infected immigrants. They should have been sent home.

CESAR CHAVEZ WORKPLACE FAIRNESS ACT

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 195 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 195

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 5) to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and to the amendments made in order by this resolution and shall not exceed two hours, with 60 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, and 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation. After general debate the bill shall be considered for amendment under the five-minute rule and shall be considered as read. The amendments recommended by the Committee on Education and Labor now printed in the bill shall be considered as adopted in the House and in the Committee of the Whole. No further amendment shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed, may be offered only by the named proponent or a designee, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. Points of order against the amendment printed in the report to be offered by Representative Ridge of Pennsylvania for failure to comply with clause 7 of rule XVI are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1200

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from LaVerne, CA, Mr. DREIER, and, pending that, I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 195 provides for the consideration of H.R. 5, legislation to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

Mr. Speaker, the rule provides a total of 2 hours of general debate time. One hour is to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

Thirty minutes will be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce with the remaining one-half equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation.

The amendments reported by the Committee on Education and Labor now printed in the bill shall be considered as adopted in the House and in the Committee of the Whole. The bill will be considered as having been read.

Only two amendments are made in order under the rule. Both are printed in the report accompanying the rule. Each amendments shall be considered as having been read and shall be considered in the order and manner specified in the report. The amendments are not subject to amendment.

The first amendment is to be offered by Mr. EDWARDS of Texas or his designee and is debatable for 30 minutes to be equally divided and controlled by the proponent and an opponent. The second amendment is an amendment in the nature of a substitute to be offered by Mr. RIDGE of Pennsylvania or his designee and is debatable for 30 minutes to be equally divided and controlled by the proponent and an opponent.

The rule waives clause 7 of rule XVI against the Ridge amendment. This waiver is necessary for nongermane provisions contained in the Ridge amendment. No other amendments are in order.

The previous question shall be considered as ordered on the bill. Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, I strongly support this rule and H.R. 5 as well. I supported and voted for this legislation in the previous Congress, and I continue to believe that this measure is critical if we are to restore the necessary balance between labor and management at the bargaining table. Prompt passage of this rule will allow us to begin to debate responsibly this critical issue of survival for the collective bargaining process for America's labor force.

Under the law, workers may not be fired for engaging in a strike. Section 13 of the National Labor Relations Act guarantees them that right.

However, they may be permanently replaced in those jobs if their employers choose to hire permanent replacement workers. The bottom line is that, whether or not an individual can be fired doesn't really matter. In the end, he or she still loses the job. And, whether or not it's through firing or replacement, it's still the loss of a job because of a strike.

This obscure and certainly unfair policy resulted from a 1938 Supreme Court ruling known as Mackay Radio. The Mackay Radio ruling allowed that during an economic strike, employers may permanently replace striking workers with newly hired employees.

In the first 40 years following this ruling, there were few instances of employers actually hiring permanent replacements. However, the last decade has seen a dangerous trend evolve as a distressing number of employers have deliberately hired permanent replacements to avoid addressing the valid concerns and complaints of their em-

ployees. Even more common is the threat of replacement that is subtly implied to workers who may be contemplating a strike.

Beginning with the replacement of the PATCO workers in 1981 and leading up to more recent examples of Greyhound and Eastern Airlines, the practice of permanently replacing striking employees has also turned into a tool for those businesses more interested in "union busting" than in negotiating in good faith. Such actions effectively prevent union members from exercising their right to strike under National Labor Relations Act as well as the Railway Labor Act.

How can employees enter into collective bargaining when their employers know that by simply hiring replacement workers, they preclude any leverage those same workers may have at the bargaining table?

This legislation is critically important to American workers who in the past decade in particular have seen their hard-earned wages and benefits eroded by employers who are more concerned about mergers, leveraged buyouts, and short-term profits than in achieving and maintaining a long-term economic growth through a productive, experienced, and reliable work force.

It is time for employers to realize the value of American workers in our global economy. H.R. 5 would overturn the Mackay and other subsequent rulings that unfairly undermine the rights of employees in favor of business concerns.

Passage of this bill would help put employers and employees on a level playing field. It is to the advantage of both business and labor if workers can go to the bargaining table and engage in debate free from fear of arbitrary job loss.

Virtually identical legislation was passed by the House in the 102d Congress by a substantial margin of 247 to 182. I hope Members will join with me in supporting the rule and in supporting H.R. 5

Mr. Speaker, I reserve the balance of my time.

Mr. Speaker, for purposes of debate only, I defer to the gentleman from La Verne, CA, Mr. DREIER.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the best chairman in the Congress, the gentleman from Massachusetts [Mr. MOAKLEY] for yielding this time to me, and at the outset I would like to note for the record that my hometown is San Dimas, CA. I recently moved.

Mr. Speaker, I note with a bit of irony that the title of H.R. 5 is the "Cesar Chavez Workplace Fairness Act." I can't imagine that Cesar Chavez, a man who devoted his whole life to fighting injustices against American workers, would want his name associated with a bill that ignores fairness in the workplace.

How can the American people take seriously the Democrat leadership's call for workplace fairness in the private sector when the rules designed to protect all Members of this body, Republicans and Democrats, are repeatedly abused.

Out of 19 bills that passed through the Rules Committee this year, 14 of them, or 74 percent, have been considered under a rule gagging debate on important amendments. This rule, for example, permits just two amendments, while we know of at least four others that would be offered if we were permitted to have an open debate.

Mr. Speaker, there is no reason for such a restrictive rule. Under an open rule, this bill would not take more than a few hours to complete. Seven amendments were submitted to the Rules Committee last Friday and, at a minimum, those amendments should be debated by the full House.

Even the distinguished chairman of the Education and Labor Committee, WILLIAM FORD, who characterized these amendments as "window dressing" and "feel good amendments," did not object in the Rules Committee to making all seven amendments in order.

I would say to the distinguished chairman, however, that I do not agree with those characterizations. The amendment by the gentleman from Tennessee [Mr. DUNCAN], which was defeated on a party-line vote of 5 to 4 in the Rules Committee, would exempt small firms having 250 or less employees from the provisions of this act. The outcome of that amendment was decided by just 9 Members of this 435-Member body.

Likewise, the amendment by the gentleman from Pennsylvania [Mr. WELDON], to allow higher salaries for temporary replacements, will not be debated because just five Democrats in the Rules Committee said so. Even the amendment by our Democrat colleague from Louisiana [Mr. HAYES] was gagged, proving that this treatment is aimed not just at the minority, but at anyone who has a difference of opinion with the Democrat leadership.

The following is a list of rollcall votes in the Rules Committee on amendments to the rule for H.R. 5:

1. Open rule—Provides two hours of general debate: Ed and Labor (1-hr.), Energy and Commerce (30-mins.), Public Works and Transportation (30-mins.). Rejected: 4–5. Yeas: Solomon, Quillen, Dreier, and Goss. Nays: Moakley, Derrick, Frost, Bonior, and Hall.

2. Weldon—A substitute amendment allowing employers to pay higher salaries to temporary replacements, requiring proof of business necessity to justify hiring replacements, and allowing employers to seek declaratory statement of business necessity from NLRB. Rejected: 4–5. Yeas: Solomon, Quillen, Dreier, and Goss. Nays: Moakley, Derrick, Frost, Bonior, and Hall.

3. Duncan—Excludes from coverage businesses having 250 or fewer employees 30 days prior to beginning of strike. Rejected: 4–5. Yeas: Solomon, Quillen, Dreier, and Goss. Nays: Moakley, Derrick, Frost, Bonior, and Hall.

4. Hayes—Requires labor organization to file with employer prior to a strike a notice of willingness to submit issues to a factfinding board to achieve acceptable settlement for both sides; permits permanent replacements if management agrees to board settlement but labor rejects; and prohibits permanent replacements if labor accepts terms and management rejects, or if findings are rejected by both and last offer is rejected by either side. Rejected: 4–5. Yeas: Solomon, Quillen, Dreier, and Goss. Nays: Moakley, Derrick, Frost, Bonior, and Hall.

5. Adoption of Rule—A modified closed rule providing for two hours of general debate and making in order just two amendments. Adopted: 5–4. Yeas: Moakley, Derrick, Frost, Bonior, and Hall. Nays: Solomon, Quillen, Dreier, Goss.

H. RES. .—PROVIDING AN OPEN RULE FOR THE STRIKER REPLACEMENT BILL (H.R. 5)

Strike all after the resolving clause and insert in lieu thereof the following: "That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5) to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes, and the first reading of the bill shall be dispensed with. After general debate which shall be confined to the bill and which shall not exceed two hours, with one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, 30 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, and 30 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works and Transportation, the bill shall be considered for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.".

Explanation: This amendment to the proposed rule provides for a two-hour, open rule for the consideration of H.R. 5, the "Cesar Chavez Workplace Fairness Act," with one-hour of general debate controlled by the Education and Labor Committee, and a half-hour each by the Committees on Energy and Commerce and Public Works and Transportation.

OPEN VERSUS RESTRICTIVE RULES—95TH–103D CONGRESSES

Congress (years)	Total rules granted [1]	Open rules [2]		Restrictive rules [3]	
		Number	Percent	Number	Percent
95th (1977–78)	211	179	85	32	15
96th (1979–80)	214	161	75	53	25
97th (1981–82)	120	90	75	30	25
98th (1983–84)	155	105	68	50	32
99th (1985–86)	115	65	57	50	43
100th (1987–88)	123	66	54	57	46
101st (1989–90)	104	47	45	57	55
102d (1991–92)	109	37	34	72	66
103d (1993–94)	19	5	26	14	74

[1] Total rules counted are all order of business resolutions reported from the Rules Committee which provide for the initial consideration of legislation, except rules on appropriations bill which only waive points of order. Original jurisdiction measures reported as privileged are also not counted.

[2] Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with the rules of the House. The parenthetical percentages are open rules as a percent of total rules granted.

[3] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules, as well as completely closed rules, and rules providing for consideration in the House as opposed to the Committee of the Whole. The parenthetical percentages are restrictive rules as a percent of total rules granted.

Sources: Rules Committee Calendars & Surveys of Activities, 95th–102d Congresses; "Notices of Action Taken," Committee on Rules, 103d Congress, through June 9, 1993.

OPEN VERSUS RESTRICTIVE RULES—103D CONGRESS

Rule number and date reported	Rule type	Bill number and subject	Amendment submitted	Amendments allowed	Disposition of rule and date
H. Res. 58—Feb. 2, 1993	MC	H.R. 1: Family and medical leave	30 (D–5; R–25)	3 (D–0; R–3)	PQ: 246–176 A: 259–164 (2/3/93)
H. Res. 59—Feb. 3, 1993	MC	H.R. 2: National voter registration act	19 (D–1; R–18)	1 (D–0; R–1)	PQ: 248–171 A: 249–170 (2/4/93)
H. Res. 103—Feb. 23, 1993	C	H.R. 920: Unemployment compensation	7 (D–2; R–5)	0 (D–0; R–0)	PQ: 243–172 A: 237–178 (2/24/93)
H. Res. 106—Mar. 2, 1993	MC	H.R. 20: Hatch Act amendments	9 (D–1; R–8)	3 (D–0; R–3)	PQ: 248–166 A: 249–163 (3/3/93)
H. Res. 119—Mar. 9, 1993	MC	H.R. 4: NIH Revitalization Act of 1993	13 (D–4; R–9)	8 (D–3; R–5)	PQ: 247–170 A: 248–170 (3/10/93)
H. Res. 132—Mar. 17, 1993	MC	H.R. 1335: Emergency supplemental approps.	37 (D–8; R–29)	1 (not submitted) (D–1; R–0)	A: 240–185 A: (3/18/93)
H. Res. 133—Mar. 17, 1993	MC	H. Con. Res. 64: Budget resolution	14 (D–2; R–12)	4 1–D (not submitted) (D–2; R–2)	PQ: 250–172 A: 251–172 (3/18/93)
H. Res. 138—Mar. 23, 1993	MC	H.R. 670: Family planning amendments	20 (D–8; R–12)	9 (D–4; R–5)	PQ: 252–164 A: 247–169 (3/24/93)
H. Res. 147—Mar. 31, 1993	C	H.R. 1430: Increase public debt limit	6 (D–1; R–5)	0 (D–0; R–0)	PQ: 244–168 A: 242–170 (4/1/93)
H. Res. 149—Apr. 1, 1993	MC	H.R. 1578: Expedited Rescission Act of 1993.	8 (D–1; R–7)	3 (D–1; R–2)	A: 212–208 (4/28/93)
H. Res. 164—May 4, 1993	O	H.R. 820: Natl. Competitiveness Act	N/A	N/A	A: Voice Vote (5/5/93)
H. Res. 171—May 18, 1993	O	H.R. 873: Gallatin Range Act of 1993	N/A	N/A	A: Voice Vote (5/20/93)
H. Res. 172—May 18, 1993	O	H.R. 1159: Passenger Vessel Safety Act	N/A	N/A	A: 308–0 (5/24/93)
H. Res. 173—May 18, 1993	MC	S. J. Res. 45: U.S. forces in Somalia	6 (D–1; R–5)	6 (D–1; R–5)	A: Voice Vote (5/20/93)
H. Res. 183—May 25, 1993	O	H.R. 2244: 2d supplemental approps.	N/A	N/A	A: 251–174 (5/26/93)
H. Res. 186—May 27, 1993	MC	H.R. 2264: Omnibus budget reconciliation	51 (D–19; R–32)	8 (D–7; R–1)	PQ: 252–178 A: 236–194 (5/27/93)
H. Res. 192—June 9, 1993	MC	H.R. 2348: Leg. branch appropriations	50 (D–6; R–44)	6 (D–3; R–3)	PQ: 240–177 A: 226–185 (6/10/93)
H. Res. 193—June 10, 1993	O	H.R. 2200: NASA authorization	N/A	N/A	A: Voice Vote (6/14/93)
H. Res. 195—June 14, 1993	MC	H.R. 5: Striker replacement	7 (D–4; R–3)	2 (D–1; R–1)	

Code: C-Closed; MC-Modified closed; MO-Modified open; O-Open; D-Democrat; R-Republican; PQ-Previous Question; A-Adopted; F-Failed.

Mr. Speaker, I am troubled by the attitude of some on the other side of the aisle who believe that this bill is perfect and cannot be improved. This is unfortunate because the consequences of H.R. 5, if enacted into law, are enormous.

This legislation would destroy the very incentives that have led to 53 years of cooperation between management and labor in most instances. It will cause highly skilled American jobs to move overseas. It will allow unions, which make up only 12 percent of the private work force, to increase their economic clout in far greater proportion to their representation in the labor market.

Equally distressing is that it will relieve labor leaders from being held accountable for their actions in asking rank-and-file members to go on strike. In essence, Mr. Speaker, H.R. 5 is an incumbent protection act for elected union officials.

Mr. Speaker, H.R. 5 is a prescription for economic decline. This rule is a prescription for the decline of deliberative democracy. It is no coincidence that bad legislation is the offshoot of bad procedure. H.R. 5 is no exception. Therefore, I urge my colleagues to vote down the rule, vote no on H.R. 5.

□ 1210

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to address the open-rule situation. Three separate committees held hearings on the markups in this session of Congress and the last session as well. There was ample opportunity for Members to voice their concerns.

The Rules Committee received a total of seven amendments to H.R. 5. Two of those amendments were withdrawn. That leaves five. Two were made in order, and of the remaining three, two were nongermane. The Hayes amendment and the Weldon amendment were not germane to the bill. So, many of the issues raised in the amendments submitted to the Rules Committee were addressed in the two amendments that were finally made in order.

Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I rise in support of House Resolution 195.

H.R. 5, the Cesar Chavez Workplace Fairness Act, is among the most important bills that this Congress will consider. The disposition of this legislation will have a significant impact upon the rights of American workers. While I will oppose amendments to this legislation, this is a fair rule. It enables the House to consider alternatives to the bill as reported by committee. This rule also preserves the right of those who oppose the legislation to offer a motion to recommit with or without instructions. Finally, this rule ensures that the House will consider the subject before it, and will not be sidetracked by irrelevant issues that have received no previous considerations, in committee or otherwise.

H.R. 5 restores balance to our labor laws. It ensures Americans will have a meaningful right to strike, not simply a right to be permanently replaced. Far from tipping the scales in favor of workers, this legislation preserves the right of employers to seek to continue operations during labor disputes including the right to hire replacement workers. This legislation does provide, however, that employers may not discriminate against their regular work force, in favor of replacement workers, because a worker has exercised his or her right to honor a picket line.

Mr. Speaker, it was my intent, as the author of this legislation, to restore a degree of economic security to American workers. Contrary to the assertions of opponents, this legislation also improves the economic security of the country as a whole. If this Nation intends to prosper in the future, we can no longer tolerate a policy that both encourages employers to promote labor disputes and turns such disputes into an economic life or death battle for both workers and employers. We must encourage cooperation between labor and management. Such cooperation cannot be bought at gunpoint, but must be based upon a mutual recognition of and respect for the common in-

terests of both labor and management. The permanent replacement of striking workers is the equivalent of a nuclear first strike. One side is encouraged to believe that it will prevail by wiping out the other side. In fact, both sides lose. It is time to end this insane practice.

Mr. Speaker, I urge my colleagues to support this rule and to support this legislation without further amendment.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume, simply to respond to the statement of Chairman MOAKLEY by saying that, yes, it is true that there are alternatives that are allowed for consideration under this rule. But the fact of the matter is, as I said in my opening statement, that there are 435 Members of this House. There are three committees that were involved in this process. It seems to me that there are other Members who would like to have a chance to have their ideas considered here on the House floor.

Mr. Speaker, I yield 3 minutes to the gentleman from Sanibel, FL, Mr. GOSS, one of the hardest-working members of the Rules Committee.

Mr. GOSS. Mr. Speaker, I rise today in opposition to this rule.

This rule will allow consideration of H.R. 5, legislation that is variously known as auto-strike or the push-button strike bill. Quite frankly, this legislation is a blatant bid to increase union membership at the expense of American business. I find it ironic that this legislation—newly titled the "Cesar Chavez Workplace Fairness Act"—comes to the floor of the House not 1 week after an Arizona jury found the United Farm Workers guilty of using illegal tactics during a boycott of a grower. The Arizona jury took less than a day to award the plaintiff almost $3 million in compensatory damages and $1,000 in punitive damages.

H.R. 5 will prohibit employers from hiring permanent replacement workers in the event of an economic strike. I find it very hard to reconcile the administration's statement that this bill "will stimulate productivity and international competitiveness" with the fact that business suffers from a loss of productivity whether it hires temporary or permanent replacement workers. Yesterday, proponents of this legislation were unable to give specifics about benefits the business community will enjoy.

On the contrary, H.R. 5 is yet another signal that American business can expect decreased productivity, smaller profits and more strikes. This legislation would tip the delicate scales of labor-management relations in favor of labor. For the past 53 years, the workers of this country have improved their status immensely, hastening the decline of unions. Union membership has reached an all-time low. In 1992, only 11.5 percent of the private sector and 36.7 percent of the public sector were unionized.

While organized labor would have you believe that the United States is the only industrialized nation that allows the use of permanent replacement workers, this is false. Seven countries, including Hong Kong, clearly permit the use of permanent replacements. Canada and Germany, two countries with traditionally prounion labor laws, impose restrictions to protect businesses from being crippled.

H.R. 5 would effectively eliminate any incentive a worker has not to strike. In fact, this legislation would reverse the incentives, workers will increase their demands and the negotiation process will be less attractive.

American business is strong, but we are hitting our productivity broadside. The private sector is being bombarded by Congress—first the Family and Medical Leave Act, now the strikebreaker replacement bill, and next—health care reform. Market investments are getting riskier and riskier and it is American prosperity that ends up losing.

Mr. Speaker, I urge my colleagues to oppose this rule and this legislation. There are other options. We heard them in the Rules Committee. There are other choices that have not been made in order.

Mr. Speaker, I urge a no vote on the rule and a "no" vote on the legislation.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT], the defender of the workingman in the Congress.

Mr. TRAFICANT. Mr. Speaker, under current law, a company could be downright un-American and unreasonable, with the direct intent being to rile its work force, force them to go out on strike, and then replace them permanently.

I want to commend Chairman CLAY and the committee for taking a look at the last and only weapon an American worker has in our society. It is a word we fear, but it is a most important term dealing with rights. It is called strike. When you take away a worker's right to strike, you take away that worker's right, under our Constitution, to participate in the fabric place of America.

□ 1220

My colleagues, H.R. 5 does not stop companies from hiring replacement workers. H.R. 5 says if they have come to an impasse and, in fact, a worker exercises that severe tool, right they have, that they can still go on, they can still function.

But what H.R. 5 says is, they cannot intimidate, coerce, pressure people to go on strike for the purpose of getting rid of them permanently.

If Congress does anything today to help the American worker, they will insulate the only right they have in our workplace. This is a bigger bill than many Members have talked about. Again, I commend the committee, and I commend the gentleman from Missouri [Mr. CLAY]. I would hope that we would support the bill.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Bradenton, FL, Mr. MILLER, a member of the Committee on Education and Labor.

Mr. MILLER of Florida. Mr. Speaker, this is a bad bill, and our debate that we will go through this afternoon will indicate the problems with this bill. I have advocated its defeat.

This is a direct effort to gut right-to-work State laws and increase union membership, because the numbers are vanishing. Union membership has dropped to only 11 percent of the work force.

There are currently 21 States that have right-to-work laws. This means it should be an easy vote for those from right-to-work States, because Members will have their choice to either vote for their constituents or vote for special interests.

I keep hearing it is going to be a difficult vote. I do not understand why, but I think I do know why. If we look at these special interests and how Members vote and how their campaign contributions and support came from the labor PAC's, this bill is going to be a great indication of why we need campaign finance reform, because special interests are going to win out.

Eleven percent of the people belong to unions. This is a union bill, and the 21 States that have right-to-work laws do not need this type of legislation.

So tomorrow, when we analyze the vote, we are going to analyze the vote. And I think the media will be doing the same thing, analyzing it with respect to the amount of contributions and support PAC's are giving.

We need campaign finance reform, and we do not need this bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. GREEN].

Mr. GENE GREEN of Texas. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. MOAKLEY] for yielding time to me.

I ask for support not only of H.R. 5 but also for the rule.

Over the last few months, we witnessed a massive campaign to derail this bill. My own office has received a great number of letters from businesses who feel like this would put them at a disadvantage during a collective-bargaining disagreement.

I do not feel the balance between business and labor would be tilted to one side or the other. In fact, this bill would actually level the playing field. That is why I was cosponsoring this bill and asking for support today.

The facts are simple. Terminating an employee for striking is illegal, but to

permanently replace them is only to terminate by another name. This bill will clarify our intentions on the ability of a worker to bargain collectively and strike, if necessary, as a last resort.

In my experience, as both a union member and a manager of a plant that had a union contract, I found that a strike is a last resort. The economic realities facing our workers today, who live from paycheck to paycheck, prohibit the type of increased striking businesses seem to fear.

This is a fairness to the worker. Our workers compete with every industrialized nation in the world. Yet all we are asking for is the same protection as other industrialized nations.

I heard one of the earlier speakers compare our workers with Hong Kong, which is not actually fair. Let us compare them with West Germany or Germany or Japan and other industrialized nations.

The use of permanent replacements has only served to increase the animosity between labor and management. I believe it's time we start working together and level that playing field.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to our revered Republican leader, the gentleman from Peoria, IL, Mr. MICHEL.

Mr. MICHEL. Mr. Speaker, I rise today in opposition to the rule. This is yet another restrictive rule that makes in order only 2 of 7 amendments that had been submitted to the Committee on Rules. It seems to me this is not the time to be considering a bill that would overturn 50 years of established law and unnecessarily change the delicate balance that exists in labor-management negotiations.

The primary reason that this is not the time for consideration of this bill is that the policy embodied in this measure could lead to wholesale job loss here in the United States. What I hear from my constituents back home is that they want us to be working on policies that not only preserve good jobs here at home but that create or at least improve the environment here for the creation of more jobs for Americans.

H.R. 5 would prohibit an employer from hiring permanent replacements in the case of a purely economic strike, where workers are seeking higher wages or improved benefits.

Employers have always been prohibited from hiring permanent replacements, when there was a strike over an unfair labor practice. And that distinction between the two types of strikes was drawn very clearly, judicially, by the Supreme Court in the MacKay case in 1938.

Now, under current law, employees have the right to strike for higher wages and better benefits. An employer has the right to remain in business by hiring replacement workers. This is the balance that has been in place for over 50 years. It is a balance that would be destroyed by H.R. 5.

The proponents of this legislation will argue that permanent replacements have become standard practice in labor disputes. A recent GAO report proves that to be absolutely false. Only 4 percent of striking workers were permanently replaced in 1989.

Yes, there have been some high profile situations, even one in my district where Caterpillar announced that it intended to hire permanent replacements after a 5-month work stoppage in Peoria and around the country. In the Caterpillar situation, the employees decided, quite frankly, to return to work. The reason for that was that the last offer by the company was a pretty healthy one.

When it looked like they might be replacing workers, there were over 30,000 phone calls per hour from around the country in the first day. Why not? When the average wage of the worker would rise from $42,000 to $52,000, when they had 6 years job security for every individual employee by name, 100 percent fully funded health care plan that ranks in the 96 percentile in the entire country, and other fringe benefits. And the general public said, "And you would strike or prolong a work stoppage over these kinds of working conditions?"

The union lost the public elections battle from the very beginning on that score, and the company was right in threatening at least the possibility of replacement workers, when the union did not give consideration to the last offer that ranks among the very best in the country.

So the crux of the debate should not focus on the emotional issue of whether striking workers can be replaced but should also focus on the fact that business in the United States must now compete in a global marketplace. We must think differently and think anew. Organized labor cannot operate the way they did 30 years ago. They have got to update their thinking.

In order to preserve jobs in the United States, companies must ensure that they can compete worldwide, not only domestically; they can no longer be tied to union pattern bargaining which only looks at domestic industries.

Each company must have the ability to negotiate with its employees on individual terms to determine what will keep the business competitive and what will keep those jobs here in the United States. Otherwise, those companies might well decide it is in their economic interest to move offshore.

I made the point last night in a special order, that better than 50 percent of the people employed by Caterpillar are there because the company exports more than 50 percent of what it produces at home. Caterpillar would like to preserve their U.S. manufacturing base. We, in Congress, should not make the economic climate so uncompetitive that U.S. companies have to move abroad.

Caterpillar's biggest competitors are in Europe and Japan. We have got the best and we ought to preserve it. We have got blinders on if we seek to pacify a few who frankly are out of step with the times of the 1990's.

I hope we will reject this rule. Give Members an opportunity to offer more amendments. Let those amendments rise or fall on their merits by either an affirmative or negative vote.

Mr. Speaker, I thank the gentleman for yielding time to me.

□ 1230

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK. Mr. Speaker, I rise in support of this rule and of H.R. 5 as well, as reported from the committee. It is time to pass this bill and restore balance to the collective bargaining process. This bill is about fair play. Since the 1930's, the fundamental principal of labor-management relations has been to allow an equivalence between both sides so that one cannot dominate the other. Over the past 12 years that balance has been lost and now bargaining power has been grossly tilted to one side. I remember the demise of the air controllers union. I remember the demise of labor workers throughout this country. I remember the death of Eastern Airlines. All of this was brought about by the many ill-begotten kinds of things that happened during the last 12 years.

As we debate this bill, the mineworkers are on a selective strike. These Americans who have one of the most dangerous jobs there is need our help. On June 4, the management of a Peabody mine at Waverly, KY, called in two shifts to give their version of the issues under negotiation. Do these workers need protection? I say "yes." Pass this rule. These American workers voiced their opinion of the management views vigorously during the meeting. In retaliation for this verbal expression of dissent, Peabody management on the spot attempted to fire both shifts and bring in replacement workers. This is outrageous.

It is time to lift the jackboots of the corporate neanderthals from the necks of the American working people. Let's pass this bill and restore freedom.

Mr. DREIER. Mr. Speaker, I yield 3 mintues to the gentleman from Aston, PA [Mr. WELDON], a victim of the Committee on Rules, someone whose amendment was denied up there.

Mr. WELDON. Mr. Speaker, I rise in strong opposition to this rule. I ask my colleagues on the other side for some legislative fairness in dealing with the workplace fairness issue.

Mr. Speaker, I rise as someone who in fact agrees and feels there is a need

to do something in this area in terms of perhaps practices over the last 10 to 15 years where the National Labor Relations Board has not been as aggressive and has not been fair in dealing with labor's concerns.

In fact, I have taken those concerns directly to former President Bush in the Oval Office the last time this bill came on the floor in the last session. I said, "Mr. President, we have to deal with this issue of 2-, 3-, 4-, and 5-year time periods for the National Labor Relations Board to bring back rulings," when in most cases it is irrelevant because the situation has in fact resolved itself and workers have been hurt.

We know that this legislation will pass the House, but it is not going to pass the Senate. We know that the votes are not there to pass the legislation in its current form, and we are only kidding ourselves if we say otherwise.

Therefore, I have tried to reach out, as some of my colleagues have done, to try to find a compromise, much as we did with the Family and Medical Leave Act, when we knew that was not going to have the votes necessary on both sides of the aisle to pass this body.

However, the Members on this side have denied us the opportunity. There were amendments that could have been offered today that I think would have brought more people into the process to allow us to fully deal with this issue, and find a way to truly bring fairness to the process. I do not want to tilt the balance in either direction, either.

I would have offered an amendment today that would have made neither side happy. Neither labor nor management would have been happy with an amendment that would have called for an expedited process from the NLRB, among other things. I am not being given the opportunity to offer that amendment today. Likewise, there are other amendments that would have been offered which could have received the support of a number of our colleagues.

I am very happy that the Committee on Rules did see fit to allow the Ridge, Holden, and Olympia Snowe amendment, because that merits our consideration. We need to look at this issue, not to see who can score the most political points with organized labor, but who can find a solution to the problem. That is what I am all about, and that is what we should be all about.

This rule denies us that process. It does not allow us the opportunity to try to find that balance, to try to find that compromise. As someone who voted for this bill in the last session, because I want to move this process forward, I am offended at that. I wish the other side would allow us to work together on these issues where we have common agreement. Unfortunately. that is not the case here today.

Mr. Speaker, I thank my colleague for yielding time to me.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, I rise today in support of the rule and in unreserved support of the Cesar Chavez Workplace Fairness Act. I would like to first commend the chairman of the Education and Labor Committee, BILL FORD, and the chairman of the Labor-Management Relations subcommittee, PAT WILLIAMS, for their strong efforts this year, and in years past, to respond aggressively to the threat to our Nation's workers posed by the practice of permanently replacing striking workers.

One of the first actions I took as a Member of Congress was to cosponsor this bill, H.R. 5. Countless times during my campaign, I was approached about this bill by men and women who were victims of striker replacement, and I was deeply touched by their stories. These hard workers and their families have suffered terribly for the simple fact that they exercised their legal right to strike—a basic right that all workers must retain in any democracy.

I find the actions of those employers who permanently replace strikers to be reprehensible. Labor negotiations are an essential tool for both sides in the bargaining process. As a former human resources manager, I know that employers who treat workers fairly, provide safe work environments, and living wages for their employees are rewarded with increased worker productivity—and make our Nation more competitive.

But presently, the negotiations process is being circumvented by many employers who refuse to come to the table and instead choose, for all intents and purposes, to fire striking workers by hiring their permanent replacements.

Mr. Speaker, this legislation affords the protection that these workers deserve. I am wholeheartedly in support of it, and urge my colleagues to join me in supporting the rule and final passage.

Mr. DREIER. Mr. Speaker, I yield 1 minute and 30 seconds to our hard-working colleague from Casper, WY, Mr. THOMAS.

Mr. THOMAS of Wyoming. Mr. Speaker, I rise in opposition to the rule and the so-called Cesar Chavez Workplace Fairness Act.

Today, the majority has made time in the agenda but has limited the opportunity to consider legislation which will change labor-management relations. H.R. 5 will make the workplace more divisive and add to the cumulative burden of regulation faced by employers.

What we have here is a fragile economy. And the majority in this Congress keeps piling it on—one regulation, restriction, and economic limitation after another. And then stare in fake innocence at the public and wonder why the economy doesn't work. Today we face a bill that will set the economy back with new vengeance. And I will tell the Members, pass this and we will not get to blame the economy on the past 12 years. A faltering economy aggravated by a slew of strikes and manufacturing shutdowns will be all your own making, your own design, and your responsibility.

Tampering with the economic balance of labor relations to extract the risk is foolish. It is that risk that is the essence of the balance between labor and management. This bill seeks to take the risk out of strikes, to take the risk out of bargaining for one side and one side alone. There is no fairness. There is no incentive to settle without risk.

The American public is deeply concerned about the economy and the majority of Americans—apparently quite different than the majority in the House—oppose this legislation.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY], a member of the Committee on Ways and Means.

Mrs. KENNELLY. Mr. Speaker, I rise today in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act. I commend the chairmen, the gentlemen from Michigan, Mr. FORD and Mr. DINGELL and the gentleman from California, Mr. MINETA for their commitment to this legislation and this Nation's workers.

Mr. Speaker, the Cesar Chavez Workplace Fairness Act seeks to restore the fair balance between labor and management, to improve the standard of living for American workers and American competitiveness. This legislation amends the National Labor Relations Act and the Railway Labor Act to prohibit employers from hiring permanent replacements for workers in an economic strike. It prohibits employers from giving any employment advantage to a striking worker who crosses the picket line to return to work before the end of a strike. It is important to note that this measure does not apply to non-union workers. It thereby protects employers against undisciplined work stoppages by employees who have no identified representative authorized to settle or negotiate their differences.

In the last 10 years, the use of permanent replacements has increased. In fact, a GAO study showed that employers hired permanent replacements in approximately 17 percent of the strikes reported in 1985 and 1989. In about one-third of the strikes, employers threatened to hire permanent replacements.

In point of fact, there is no need for permanent replacements because employers can operate their businesses without replacing strikers. Management has a host of other options to uti-

lize during a strike. They can hire temporary workers. They can use supervisory or management personnel. They can transfer or subcontract. Most important, they can negotiate.

If our trading partners and competitors can do it, so can we. Japan, Germany, Canada, and France all prohibit the use of permanent replacements for striking workers. So should we. The United States is falling behind in quality and productivity. Not only have real wages for American workers declined but so too has our competitive edge. The establishment of a stable labor-management relationship by our trading partners has allowed them to become more competitive in the world market. It has also enabled them to become more competitive in ours. The economies of our foreign partners have high wages and trade surpluses. As we know, we face falling wages and an overall trade deficit. This legislation is the first step in our return to a competitive position in the world economy.

For example, in my own district in 1986, employees of Colt Firearms struck after working for almost a year without a contract. Management replaced striking workers immediately. After much negotiation, many issues were close to being settled—except the issue of the permanent replacement workers. The economic liability favored the company with respect to the replacement workers. Over 3 years later the strike ended—not when negotiations were completed—but when the employees who struck successfully bid to purchase the division. Similar long-term strikes have occurred in Connecticut. But this particular strike was the longest in Connecticut's history. And needless to say, it was devastating.

Management systems that encourage worker involvement are essential to increasing opportunity for success, from the smallest of companies to the largest of corporations. Promoting cooperation in industry—as a Nation—we enhance our efforts to compete globally.

In 1935, the National Labor Relations Act was created. It promised workers a fair opportunity to engage in collective bargaining. We need to strengthen the balance between labor and management so that employers and employees work together rather than continue to watch the balance erode in favor of management which may in turn no longer bargain in good faith. Collective bargaining is an integral part of the maintenance of labor-management relations. This system was established to treat both employer and employee as fairly and as equitably as possible. H.R. 5 reestablishes that fair treatment and that balance.

I urge my colleagues to join me in supporting H.R. 5, the Cesar Chavez Workplace Fairness Act.

□ 1240

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from South Carolina [Mr. INGLIS], a member of the Committee on the Judiciary and the Committee on the Budget.

Mr. INGLIS. Mr. Speaker, I thank my colleague for yielding the time.

Mr. Speaker, the striker replacement bill is a step backward in management-labor relations. It is a throwback to previous generations.

For 50 years there has been a carefully crafted balance in the bargaining power of business and labor. As long as this balance exists, strikes are rare, and amicable labor relations are common.

This bill would radically change that balance in labor law by leading to more confrontation rather than cooperation.

The dynamic and successful companies of today, and those who will prosper tomorrow are those who are moving toward full participation in management and production decisions. Employers and employees have moved well beyond the politics of envy and confrontation and are immersed in an era of cooperation and teamwork.

H.R. 5 is an effort to kill the right-to-work laws in my State, South Carolina, and 20 other States. Let us keep U.S. companies competitive while maintaining the highest quality of living for our people. Let us fight this unfair and dangerous bill and keep American workers and companies moving forward in the spirit of cooperation.

The day we pass H.R. 5 is the day we lose even more jobs to companies who will move overseas.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Pennsylvania [Mr. BLACKWELL].

Mr. BLACKWELL. Mr. Speaker, I rise to defend the rule and to support this bill because of the fact that to belong to a labor union is as American as mother's apple pie and the American flag.

In the last 12 years we have had nothing but union busting in America, and now they say that they want to take us back to the days where we had to work 24 hours a day with no pay, and if you did not like it, go home.

This bill will protect the American worker similar to the way we protect the American business person in this country.

Unions do not want to strike. They do not want special privileges. They want the same treatment that everyone else gets.

I have been a labor leader for some 30 years, and never have I seen the kind of treatment that labor is getting in the United States of America at this point in time. No country in the world treats their workers like the workers are being treated in America today. No country in the world. They have protections.

People always like to equate us with Japan. I only wish that management would treat the American worker like Japan treats its worker. Give us that kind of security on our job—we do a good job—that they give the Japanese, and we would have no need for strikes.

But no one, no one should interfere when American workers and management are having a dispute, because that is unfair. It should be unconstitutional, and we should change it today.

There are some people who want it both ways. The American worker just wants the same thing that management wants. They want the American dream. But we have some people who want to give them the American nightmare. They want to make all of the money while the workers who do the work get nothing. We are sending our kids to college while the American workers' kids do not get that chance. We want to live on a tree-lined street, while the American worker does not enjoy the same thing.

That is what it is all about. Some people want special privileges to the detriment of the people who built this country. Labor built this country. They have a right to stay in business, and they have a right to be treated fairly, Mr. Speaker, and we intend to see that it happens.

The American people are crying for fairness, and that is what this bill speaks to.

Mr. DREIER. Mr. Speaker, I am happy to yield 4 minutes to my friend, the gentleman from Pennsylvania [Mr. RIDGE], a hard-working member of the Committee on Banking, Finance and Urban Affairs whose amendment was made in order by the Rules Committee.

Mr. RIDGE. Mr. Speaker, let me first of all thank the Rules Committee for giving me the opportunity to offer the substitute on behalf of my colleagues, AMO HOUGHTON, OLYMPIA SNOWE, and STEVE GUNDERSON and myself. I thank you all for that.

I would appeal at this time to my Republican and Democratic colleagues to look carefully at our substitute, take a careful look at our approach. It is consistent with our belief in a free market, capitalistic economy. It is consistent with the history of labor law reform in that it promotes the resolution of disputes in the marketplace, and it is consistent with the need to find equilibrium, a very important ingredient, to find equilibrium in the relationship between labor and management.

Collective bargaining is governed by old laws, 40 or 50 years old and older. The world has changed dramatically, dramatically since then. Competition is much tougher, and competition is worldwide. Trade laws are not equitably enforced. Health care costs squeeze both sides in these disputes. The prolonged recession squeezes both parties even further.

Management is trying to stay competitive and productive and keep peo-

ple working, and workers themselves are struggling day to day to keep their jobs. Negotiations are tougher, and on occasion there appears a business type who seeks to destroy rather than to negotiate.

If Members believe as I do that the status quo is unacceptable, is fraught with problems, then they have to take a look at our substitute. And I say that to my Republican and Democratic colleagues.

It is in the best interest of all to encourage dispute resolution. It is in the best interest of all to encourage the parties to get together, and we do that. We have a 10-week waiting period, a cooling-off period before the worker that is hired can become a permanent worker, a permanent replacement worker. We give those in organized labor a right to secret ballot to strike. We encourage, we encourage, not mandate, but we encourage the use of the Federal mediation and conciliation service.

We want to put people back together. We want to resolve disputes. The history of labor law to encourage reform that does anything but promote the resolution of disputes is taking reform in the wrong direction.

For many of my colleagues, this has been and continues to be an academic exercise in the intricacies of industrial relations policies. For many it is deeply personal. Many have seen the despair and hopelessness in the eyes of workers who have lost their jobs to replacement workers. They were not victims of their own greed. They were failed by the system that no longer serves as the honest broker in a free-market economy. They deserve better.

Today we have an opportunity to restore equilibrium to the system and provide some degree of hope to many workers who have long since abandoned their faith in the system.

I point out again to my colleagues, workers have their right to strike; management has its right to hire replacement workers. But in that interim after the strike vote is called, after a secret ballot, and before workers can become permanent replacement workers, we would provide for that 10-week waiting period, encouraging the parties to get back to the negotiation table, to use the collective-bargaining process for which it was intended, and that is the resolution of the disputes between labor and management.

We think it is a fair and balanced approach. It brings equilibrium back to the relationship between labor and management, and we encourage our colleagues to support it.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Mississippi [Mr. THOMPSON].

Mr. THOMPSON. Mr. Speaker, I stand before you today in support of H.R. 5, the Cesar Chavez Workplace Fairness Act. I support this bill not because of politics but on principles, it is the right thing to do. The right to strike always has been the ultimate leverage available to workers should negotiations or arbitration fail to resolve their differences with management.

For over 50 years, the Federal Government has ensured the right of private-sector workers to resort to a strike if they could not otherwise gain their economic objectives, and prohibited employers from firing workers for exercising their right to strike.

During the past 12 years, there have been a number of strikes in which management permanently replaced strikers and this action has led the working people of this country to feel that they have been abandoned by the Federal Government in favor of management. Many workers believe that unless this bill is passed, the right to strike will have little to no effect as a bargaining tool with management.

I urge you to support H.R. 5, the Cesar Chavez Workplace Fairness Act. This legislation will restore fairness between labor and management and will improve the living standards of all Americans as well as add to the competitiveness of America's products.

□ 1250

Mr. MOAKLEY. Mr. Speaker, for the purposes of debate only, I yield 4 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, let us take the mystery out of what is going on.

I rise to support this rule. This rule gives both sides the opportunity to have some input about H.R. 5.

But let us, indeed, take the mystery out of the debate. This is simply about whether or not workers are going to have the right to strike, workers oftentimes who have been in the workplace, 10, 15, 20 years. They want to bargain in good faith. Management may not bargain in good faith. Management comes to the table, not to fight about how much the increase, but to cut wages as they have been doing over the past 10 years, reduce benefits, take away hospitalization and other kinds of guarantees workers thought they had in the workplace.

If, in fact, workers cannot reach an agreement, they are being treated unfairly. Government guaranteed them the right to strike. Now we are finding management is spending millions of dollars hiring sophisticated lawyers, hiring corporations to go out and break the backs of the strikers, hiring permanent replacements.

In this legislation, we are saying, "You cannot do that. Workers who have been on the job, who have given of their lives to the workplace, should not be treated in that fashion." We have seen what has happened with the air traffic controllers. We allowed their backs to be broken. Many of them have never worked again a day in their lives. Workers deserve better.

We have Members coming to this floor talking about jobs, jobs, jobs. People in this country deserve the right to work, and they deserve the right to earn a decent living.

We have seen wages reduced dramatically as we have exported jobs to Third World countries for cheap labor, to Taiwan, Mexico, Brazil. Now we have families that are working at entry-level wages, not able to pay a mortgage, not able to guarantee their children's future and pay for an education.

It is time for us to say, "Corporations, we cannot continue to give you a tax break and tax incentives as we have done in the past, 1981, 1986, the selling of tax credits." Companies such as General Electric, not only did they not pay any taxes that year, they got a tax refund, but they took our jobs and they exported them to Third World countries for cheap labor.

We are now saying, "Corporations, in addition to the tax incentives, in addition to the tax breaks, you can break the backs of workers who have been in that workplace for years. You can say, 'Your jobs are going. We are going to hire people to replace you, and we are going to pay them less money.' "

Mr. Speaker, enough is enough. If you are concerned about jobs, if you are concerned about the American worker, if you really believe what you say about what you want this President to do, job creation, you will vote for H.R. 5, and you will vote for the rule.

Mr. DREIER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, there is a great deal of concern over this issue of openness, and I know that the issue was raised by Chairman MOAKLEY when he referred to the fact that several other committees have already had a chance to have input here.

But it seems to me that this restrictive rule does jeopardize the rights of many Members here who would like to be heard on this issue, and we are trying to address the issue of workplace fairness.

Now, just today we received in our office a legislative alert from the AFL-CIO, and it is dealing with some legislation that is due to come before us later this week. But they specifically, in this letter, talk about the ultimate closed rule, and so I can only surmise that the AFL-CIO would be inclined to be consistent, at least this week, by joining us in opposing this restrictive rule which does prevent Members the right to be heard on this particular issue.

We are dealing with someone who has recently passed away, from my home State of California, Cesar Chavez, as we named this legislation. It is called the Cesar Chavez Workplace Fairness Act.

It seems to me, Mr. Speaker, that what we should be trying to do is to pursue a rule under which we consider this legislation which should aptly be called the Cesar Chavez House workplace fairness rule.

We should do everything that we possibly can to defeat this rule, come back with our House workplace fairness rule.

Mr. Speaker, I would urge a no vote on this rule.

Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, to finalize the arguments, I yield 3 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman, the chairman of the Committee on Rules, for yielding me this time.

My colleagues, let us support this rule and get this bill up for consideration and debate. That, of course, is all this rule does, just allows the bill to come to the floor.

This is a bill that has been in the Congress now for 5 years. The bill is not about the right to strike. It is not even about encouraging strikes. I do not believe that folks want to actually encourage strikes.

This bill is simply about people's right to withhold their labor, a cherished American tradition, and when they determine to do that, this bill would reserve their jobs for them so that they could return to it when the strike is over.

Is it really fair to say to an American worker who conducts a legal strike, "If you do that, you are going to lose your health care, you are going to lose your salary, you are going to lose your job"? This bill says, "No, that is not right. Let us at least preserve their jobs for them."

Of course, they are not paid when they are on strike. Workers understand that, and so most of them do not want to go on strike, and most of them do not.

By the way, the bill is limited to members of organized labor or to those shops where 50 percent or more of the people have said, "We want to join a union, and we are going to vote soon to do so." It would also preserve their jobs. No other worker in America would have their job preserved if they decided to go on strike. So just among this limited group of people would this bill even have any effect at all.

This bill is not about good guys and bad guys; black hats and white hats; big labor or big business. It is about little working people and trying to reserve and protect their jobs.

But let me say, simply because there has been some accusation about big labor and bad people and black hats, let me just say that if this bill is about black hats, it is about those people who used the 1980's through junk-bond mania, leveraged buyouts, and corporate mergers to lay off Americans by the millions, bust their unions, and send those jobs overseas. Those are the Americans who wear the black hat in today's economy.

If this bill is about anybody wearing a black hat, it is about those people who do not understand world competition and the fact that for the first time since the Great Depression America's labor law is not as progressive as is the labor law of competing nations. It is about the fact that for the first time since the Great Depression American workers are no longer the best-paid workers in the world, making, for example, 40 percent less than their German counterparts.

□ 1300

If there are any black hats, it is those who do not understand that America cannot long continue to compete if our workforce is not the best paid, best protected in the world.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 244, nays 176, not voting 13, as follows:

[Roll No. 221]

YEAS—244

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Dicks
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Edwards (TX)
English (AZ)
English (OK)
Eshoo
Evans
Fazio
Fields (LA)
Filner
Fingerhut
Flake
Foglietta
Ford (MI)
Ford (TN)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastings
Hefner
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Hutto
Inslee
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E.B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Lehman
Levin
Lewis (GA)
Lipinski
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murphy
Murtha
Nadler
Natcher
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Orton
Owens
Pallone
Parker
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reed
Reynolds
Richardson
Roemer
Rose
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Spratt
Stark
Stenholm
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Washington
Waters
Watt
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates

NAYS—176

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Bateman
Bentley
Bereuter
Bliley
Blute
Boehlert
Boehner
Bonilla
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cox
Crane
Crapo
Cunningham
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Emerson
Everett
Ewing
Fawell
Fields (TX)
Fish
Fowler
Franks (CT)
Franks (NJ)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (TX)
Hancock
Hansen
Hastert
Hayes
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hyde
Inglis
Inhofe
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Kasich
Kim
King
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lazio
Leach
Levy
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
McCandless
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Moorhead
Morella
Myers
Nussle
Oxley
Packard
Paxon
Petri
Pombo

Porter	Schaefer	Tauzin
Portman	Schiff	Taylor (MS)
Pryce (OH)	Sensenbrenner	Taylor (NC)
Quillen	Shaw	Thomas (CA)
Quinn	Shays	Thomas (WY)
Ramstad	Shuster	Torkildsen
Ravenel	Skeen	Upton
Regula	Smith (MI)	Vucanovich
Ridge	Smith (NJ)	Walker
Roberts	Smith (OR)	Walsh
Rogers	Smith (TX)	Weldon
Rohrabacher	Snowe	Wolf
Ros-Lehtinen	Spence	Young (AK)
Roth	Stearns	Young (FL)
Roukema	Stump	Zeliff
Royce	Sundquist	Zimmer
Saxton	Talent	

NOT VOTING—13

Barton	Hilliard	Santorum
Bilirakis	Lloyd	Smith (IA)
Engel	Mfume	Solomon
Frank (MA)	Ortiz	
Henry	Rostenkowski	

The Clerk announced the following pair:

On this vote:

Mr. Engel for, with Mr. Bilirakis against.

Mr. YOUNG of Alaska changed his vote from "yea" to "nay."

Mr. VALENTINE changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Pursuant to House Resolution 195 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5.

□ 1321

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5) to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes, with Mr. LEVIN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Michigan [Mr. FORD] will be recognized for 30 minutes, the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes, the gentleman from Washington [Mr. SWIFT] will be recognized for 15 minutes, the gentleman from Ohio [Mr. OXLEY] will be recognized for 15 minutes, the gentleman from Minnesota [Mr. OBERSTAR] will be recognized for 15 minutes, and the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Chairman, I ask unanimous consent to yield the majority's time for the Committee on Education and Labor to the gentleman from Montana [Mr. WILLIAMS], the chairman of the subcommittee that wrote this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. WALKER. Mr. Chairman, reserving the right to object, I am just trying to find out why the gentleman from Michigan is requesting a change since they were in the Committee on Rules.

The CHAIRMAN. The gentleman from Michigan [Mr. FORD] is indicating that the gentleman from Montana [Mr. WILLIAMS] would control the time for the majority of the Education and Labor Committee. The gentleman from Montana [Mr. WILLIAMS] is the chairman of the subcommittee.

Mr. WALKER. It would be the same amount of time but evidently something has changed since it was in the Committee on Rules.

The CHAIRMAN. The rule indicates that 30 minutes will be equally divided and controlled by the chairman and the ranking minority member.

Is there objection to the request of the gentleman from Michigan?

Mr. WALKER. Mr. Chairman, I am reserving the right to object, and I thought I had a fairly simple question, and that was what the change has been here since this matter was decided before the Committee on Rules.

Mr. Chairman, we are a little sensitive on our side in that whatever we ask for gets rejected, but then, when things happen at the Committee on Rules that do not exactly fit the majority's plan, then they come to the floor, and they change them, and we are never allowed to change things as they affect us.

So, I am basically asking the question: What has changed here and why?

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, the gentleman from Montana [Mr. WILLIAMS] is the chairman of the subcommittee that has carried the coal on this bill to get it to the floor. As the chairman of the full committee, I was prepared to call the bill up, which was not necessary because of the way the rule was written. Therefore I have asked unanimous consent that, instead of taking the 30 minutes myself, it go to the chairman of the subcommittee that wrote the bill.

Now I can accomplish the same thing by standing here and yielding to whoever the gentleman from Montana tells me to yield to, but that will just become cumbersome and certainly would not be efficient.

Mr. WALKER. Mr. Chairman, is the gentleman simply going to handle the time for his side?

Mr. FORD of Michigan. Mr. Chairman, I am letting the gentleman from Montana handle the time instead of me, and that should please the gentleman from Pennsylvania [Mr. WALKER]. The last time I brought the bill to the floor, Mr. Chairman, he did not even want me to revise and extend my remarks. So, I am trying to get out of the way and make life easier for him.

Mr. WALKER. Mr. Chairman, that sounds like a good idea, and I will, therefore, withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The Chair, therefore, recognizes the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman and my colleagues, this bill is not about the right to strike. This bill is about the right to hold one's job. Americans now have the historic right to withhold their labor. This bill is about whether or not their job will be waiting for them after they have finished withholding their labor.

First and foremost, Mr. Chairman, the purpose of this legislation is to recognize the value of stability between the employer and the employee. This bill removes the temptation that current laws dangle before employers to gain advantage by severing the long-standing relationship with their employees. The bill recognizes that in the modern workplace a long-term, mutual commitment between employer and employee needs to be encouraged. It rejects the 1980's notion of immediate gratification, short-term profit, and quick fixes. It suggests that once a collective bargaining relationship has been established, the law should encourage its survival. Above all, it should not provide the continual temptation to employers to get rid of its workers each time a contract expires and to do so by merely refusing to bargain reasonably, precipitate a strike, and then fire the work force.

The current law, Mr. Chairman, betrays workers and provides false incentives to employers. It betrays workers because it promises the right to strike, does the law, but allows the employer to get rid of workers who exercise that legal right. It provides a false hope to employers by encouraging the quick fix of busting a union at the expense of building long-term, constructive relationships. It is increasingly obvious that we must move beyond the confrontational, antagonistic labor relations that undermine this Nation's economic health.

□ 1330

We need to create equity so that both labor and management are committed to moving toward a better way of doing business. That is what we hope to achieve with this legislation, and I am hopeful that the debate will center on

a better relationship between the employers in America and America's employees.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the distinguished gentlewoman from New Jersey [Mrs. ROUKEMA], a very active member of the committee.

Mrs. ROUKEMA. Mr. Chairman, the debate surrounding the Workplace Fairness Act, H.R. 5, is as emotional as any Congress has engaged in over recent years. However, when stripped of the emotional appeals, the facts prove that the bill, otherwise known as the striker replacement bill, is a policy Pandora's box and nothing more than a windfall for organized labor. It should be defeated.

The bill's title notwithstanding, the striker replacement bill has nothing to do with workplace fairness or enhancing U.S. competitiveness. It is about tipping the scales of power and gaining an advantage. Unfortunately, those pushing for passage of this bill are seeking to gain that advantage in the wrong arena, the arena of the past—confrontation, rather than the arena of the future—competitiveness and cooperation. The arena of confrontation will close factory doors for good; the arena of competitiveness and cooperation will expand our markets and job base.

IGNORES ECONOMIC REALITIES

In today's competitive marketplace, there can be no doubt that an experienced, well-trained, and loyal work force is one of any employer's most valuable assets. That fact alone should quell the concerns of those advocating the dramatic labor law reforms embodied in the striker replacement bill. The notion that employers cavalierly decide to replace entire units of employees contradicts the nearly universal efforts of employers to ensure work force stability.

Regardless of its duration, any strike causes disruption to our productive capacity. If employers who are faced with unreasonable demands from a union cannot consider hiring permanent replacements, even as a last resort, many businesses will be faced with a Hobson's choice of either closing down altogether, or agreeing to the potentially outrageous demands that will affect their ability to compete in the market place. Either choice will have devastating economic effects on the employees, their families, the owners, and the communities in which they live. And, as this country prepares to face the ongoing global economic wars, that is a result that we can ill afford.

Given these economic considerations, the contention made by proponents of the bill, that enactment will somehow enhance U.S. competitiveness, is perplexing. How can providing an unfair advantage to one party at the bargaining table improve workplace productivity? To the contrary, the result will be shrinking profitability, investment, and ultimately, jobs.

If this Nation is going to succeed in the new global economy, labor and management must work together.

BALANCE OF INTEREST

Many do not understand the legal underpinnings of labor-management relations and the importance of the balance of power at the negotiating table. To maintain that balance of power, we must also maintain the balance of risks. This was the basis for the Supreme Court precedent established over five decades ago.

The right of the American worker to strike is guaranteed in the National Labor Relations Act of 1935. In 1938, the U.S. Supreme Court issued the MacKay doctrine which further defined strikes into one of two categories. In the case of an unfair labor practice strike, a strike is called in response to illegal labor practices committed by the employer. Striking employees are entitled to immediate reinstatement at the end of the strike. In contrast, employees participating in an economic strike do so in an effort to recognize economic gains including higher wages and broader benefits. Because they do not strike to protest an employer's illegal action, they may be replaced with permanent workers. Once the strike has ended, they must be offered a similar position as it becomes available. This has been the basis and balance of U.S. labor law for over 50 years.

In short, the right of employers to maintain operations during an economic strike by hiring permanent replacement workers did not evolve in the off-hand manner the proponents of H.R. 5 would have one believe. Employers understood that to retain that right prior to the passage of the National Labor Relations Act, and in numerous cases since the 1938 decision, the Supreme Court has reaffirmed the MacKay doctrine. Further, subsequent case law and legislative developments related to the rights of both replacement workers and economic strikers have started from the premise of the per se legality of permanent replacement.

INCIDENCE OF REPLACEMENTS

Proponents of H.R. 5 have claimed that the use of permanent replacement workers has exploded since the dismissal of the air traffic controllers by President Reagan in 1981. Some have gone so far as to accuse employers of deliberately forcing strikes in order to bust the union by hiring permanent replacements. Unfortunately, these contentions ignore both the facts surrounding the PATCO firings, as well as the incidence of permanent replacement hirings since the early 1980's.

First, the PATCO strike neither had, nor has, anything to do with striker replacement in the private sector, either under the National Labor Relations Act or under the Railway Labor Act.

PATCO involved the public Federal sector under the Federal Service Labor-Management Relation Statute, chapter 71, of title 5, United States Code, enacted in 1978. That statute, supported by the Federal sector unions, declared that striking against the U.S. Government was illegal and required the firing of Federal employees who engage in a strike. The PATCO strikers were fired under Federal law—they were not replaced—and new employees were hired, consistent with that statute. Remember, the air traffic controllers were given numerous opportunities to retain their jobs but refused to do so in the face of reality.

In addition, the General Accounting Office, in a study actually commissioned by the proponents of H.R. 5, concluded that permanent replacements were used in only 17 percent of strikes in 1985 and 1989, and that only 4 percent of all workers who were permanently replaced during this time period were not reinstated in comparable positions at the strike's end.

It is ironic that proponents of H.R. 5 would attempt to further their cause by exaggerating the incidence of permanent replacement hirings. In fact, it is H.R. 5 and the resulting imbalance it will create in our collective bargaining system, that will cause more strikes. By denying employers the use of permanent replacements, even as a last resort, H.R. 5 would give labor little to lose in calling a strike, regardless of the issues or circumstances involved.

The MacKay doctrine simply provides a level playing field. It allows workers to use their best economic weapon, the strike, and allows employers to use their best economic weapon, hiring permanent replacement workers. Since both sides bear an economic risk from failing to reach an agreement at the bargaining table, the strike and permanent replacement weapons are meant to encourage both parties to resolve their differences.

IMPROVE CURRENT LAW

Clearly, current law can be improved to ensure more productive labor-management relations. However, the time and resources devoted to the striker replacement bill, by both the supporters and opponents alike, could be far better spent on securing meaningful improvements within the current framework of the National Labor Relations Act which seeks to maintain this balance of power at the bargaining table.

One place where Congress might start is in addressing case-processing delays at the National Labor Relations Board [NLRB]. At a minimum, these delays have done much to contribute to perceived injustices of employees in securing the otherwise fair and equitable

remedies available under current law. If current remedies for unfair labor practices by an employer were readily and speedily available to replaced workers, namely, immediate reinstatement and back pay, I do not believe we would be facing H.R. 5 as an issue of abiding concern to organized labor.

Accordingly, I believe Congress should consider necessary reforms so that the NLRB can carry out its intended mission. Possible limited areas of consideration should include, but not be limited to:

First, statutory changes to procedures for filling vacancies of the National Labor Relations Board members, and changes in the number of Board members if appropriate;

Second, changes in the number and functions of personnel at the Board;

Third, internal procedural changes within the NLRB to decrease or eliminate case-processing delays;

Fourth, appropriate increases in Federal funding for the Board and general counsel to carry out recommended reforms;

Fifth, changes to the National Labor Relations Act which will provide expedited relief for certain complaints and actions brought under the act.

The suggestion that legislation as bitterly divisive as the striker replacement bill will somehow bring workers and management together ignores the acrimony that has, for too long, permeated this issue. Moreover, it ignores the many new challenges posed by today's global economy; challenges that labor and management must face together. Instead of tampering with current law, we should be concentrating our efforts on how to make that law work even better; to provide labor and management with tools necessary to meet those challenges and to succeed, together.

To that end, the Clinton administration's establishment of a commission, comprised of several distinguished experts, to study the future of labor-management relations is encouraging. The commission's mission statement specifically called for a review of "what if any changes should be made in the present legal framework and practices of collective bargaining to enhance cooperative behavior, improve productivity, and reduce conflict and delay." Congress and the public would be well-served by such a study.

Therefore, it is only logical that the President's commission should be the forum for reviewing the issues and implications raised by legislation such as the striker replacement bill. Indeed, I have recommended on more than one occasion to Secretary of Labor Reich to include these issues on the commission's agenda. It is unfortunate that the administration has declined to include this issue on the commission's agenda. Instead, it has decided to support the striker replacement bill, legislation that will undermine the very goals the commission is seeking to promote.

The President should grant the commission the flexibility and latitude to consider all issues—including the use of striker replacements—that will help improve the American workplace. It is time to get the National Labor Relations Act working as intended. Such efforts will surely be welcomed by employees and employers alike.

CONCLUSION

If H.R. 5 were enacted, organized labor would have nothing to lose by going on strike, no matter how legitimate the issue, because they would be guaranteed their jobs back. As a result, employers' choice would be limited because of the inability to continue operations.

The consequences to the economic health of this country would be enormous, as strike activity increased and employers were forced to accede to unreasonable economic demands by labor, or risk going out of business.

The consequences will be dire not only for union employees, but for all employees of related businesses, and will have adverse effects on jobs, on investment and expansion, and on the communities whose economic health depend on the companies that will close down and move off shore.

If relations between labor and management are to improve in the future, they must be based on the common sense foundation of the National Labor Relations Act which must be enforced fairly to protect the rights of both employees and employers. Not coincidentally, it is the same foundation upon which American business must operate if it is to compete successfully in today's global economy. Congress, for its part, should seek ways of strengthening that foundation. The striker replacement bill is simply not one of them.

The debate surrounding H.R. 5 is powerful and emotional. However, it must be the facts, not the emotions, that guide the debate—and ultimately the defeat—of H.R. 5.

Mr. WILLIAMS. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri [Mr. CLAY], a longstanding sponsor of this legislation.

Mr. CLAY. Mr. Chairman, I rise in support of H.R. 5, the Cesar Chavez Workplace Fairness Act, legislation I am proud to have sponsored. To permit the permanent replacement of striking workers is bad policy. It is a policy that discourages good faith bargaining. When exercising the right to strike is tantamount to being fired, employees have no leverage at the bargaining table and managers have no reason to consider seriously employee concerns. It is a policy that promotes labor disputes. Employers are encouraged to attempt to bust workers' unions by forcing labor disputes into the street. It is a policy that prolongs labor disputes when they occur. Even when other issues are settled, the refusal of employers to allow the return of striking workers precludes settlement. Finally, as we have witnessed in communities throughout this country, from Ajo, AZ to Jay, ME, from Spokane, WA, to Miami, FL, the permanent replacement of striking workers is a policy that destroys the fabric of our society. The emotions engendered as workers stand by, legally helpless, and watch others take their livelihood from them are severe and lasting.

H.R. 5 is a simple bill, providing only that employers may not reward replacement workers while punishing striking workers. It recognizes sweat, toil, and skill as investment in job security equal to the investment of inherited money.

H.R. 5 is necessary if we are to provide balance in labor-management relations. Enactment of this legislation will ensure that American workers have a meaningful right to strike. It will not guarantee that workers will prevail in those strikes. In fact, this legislation leaves intact a whole host of economic weapons available to employers. Employers retain the ability to use exempt employers, including supervisors and foremen, to perform the work of strikers. It leaves intact the ability of management to transfer work to other facilities or to subcontract work to other employers. It leaves intact the right of employers to lock-out bargaining unit employees. It leaves intact the ability of employers to hire temporary replacement workers. It does not alter the fact that while employers are free to stockpile goods in anticipation of a strike, workers remain dependant upon their paychecks to meet daily living expenses.

Let me tell you what is occurring in my district right now. The collective bargaining agreement between the meatcutters in the St. Louis area and three grocery store chains expired in early June. Negotiations for a new contract began earlier this spring. In those negotiations, the companies are seeking a contract that could effectively reduce the wages of meatcutters by $1.64 an hour or more, that will reduce the work available for meatcutters and permit management to substitute lower paid workers for the meatcutters, and that could effectively preclude any new hires from ever earning health or pension benefits.

Not surprisingly, the companies are apparently concerned that the excessive give-backs they are seeking from employees may prompt a labor dispute. In early may, they took steps to address this by not only writing to every member of local 88, but by writing to every organized employee, including those in other bargaining units. Specifically, the companies wrote to encourage union employees to cross local

88's picket lines, if events should come to that. In the correspondence, the companies advised workers that if any single company was struck, local 88 employees at the other companies would be locked out. The companies advised union members that there would be work for any union member who crossed the picket line. They went on to advise workers of their unrestricted right to resign from the union, stating to do so would eliminate any potential liability for having crossed the picket line. The companies advised employees that if they honored a picket line they would be liable for the full cost of their health benefits and could forfeit both health and pension coverage. Finally, they stated, and I quote, "The company will hire either permanent or temporary replacements for associates who choose to honor the picket line." On May 27, a week before the expiration of the contract, all three companies placed large advertisements in the St. Louis Post-Dispatch seeking temporary replacement workers.

If these companies succeed in forcing local 88 out on the picket line and carry out their threat to permanently replace any worker who honors that picket line, they will provoke a degree of strife that St. Louis has not seen since the civil rights movement and will create scars that will take years to heal. Such suffering is unnecessary and counterproductive to the whole thrust of our labor policy.

If our interest is to promote labor-management cooperation, we can no longer tolerate a policy that enables employers to convert a difference of opinion over wages into a battle as to whether workers shall even have a job. These companies have clearly outlined the risks workers must otherwise take if they strike. Workers are not compelled to honor picket lines; doing so imposes tremendous costs in terms of lost salary and benefits, and notwithstanding the hardships striking employees undertake, the employer may ultimately still prevail at the bargaining table. We can no longer tolerate a tactic that precludes the possibility of settling the strike at the bargaining table. We can no longer tolerate a practice that allows employers to unilaterally obliterate the right of employees to exercise a voice in the determination of their working conditions. We cannot afford a policy that involuntarily separates employees from jobs that many have held for 15 and 20 years. It is insanity to continue to permit a practice that creates hostilities within our communities for years to come.

The chief opposition to this bill has nothing to do with the balance of labor-management relations. It is concerned solely and exclusively with preserving a policy that gives favoritism to those who exploit the labor of honest, decent workers. Since 1981, more than 300,000 Americans have been permanently replaced for exercising their legally protected right to strike; 60 years of industrial history prove the fallacy of the contention that employers resort to permanent replacements out of economic necessity. Our major trading partners, our most aggressive competitors—Canada, France, Germany, Japan—all expressly prohibit the permanent replacement of strikers. All of the newly restored democracies of Eastern Europe prohibited the permanent replacement of strikers. Surely American workers deserve no less.

The opponents of this legislation are essentially contending that we must guarantee the ability of one side—management—to win a strike. They argue that we should protect the right of an employer to veto the decision of a worker to be represented by a union. But our obligation should be to ensure a fair and equitable balance. Our obligation should be to protect the right of all Americans to exercise a voice in the determination of their working conditions. Our obligation is to promote the settlement of labor disputes, rather than allowing them to be turned to a war of survival.

H.R. 5 provides incentives to bargain in good faith. This bill encourages the settlement of labor disputes at the bargaining table and not in the streets. Failure to pass this bill and to protect the right to strike makes a mockery of workers' rights to engage in collective bargaining.

It is time to put an end to the counterproductive and unfair practice of firing those who merely seek to protect or improve their wages and working conditions.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Chairman, I rise today to express my strong opposition to H.R. 5.

Yes, there have been identifiable abuses by employers of their legal right to hire replacement workers during economic strikes. The plain truth, however, is that these cases are the exception rather than the rule itself, and this rule today penalizes all employers.

□ 1340

Only in very rare circumstances will an employer faced with a strike and with a need to maintain operations decide to hire permanent replacement workers. In fact, the General Accounting Office [GAO] found that only 17 percent of strikes in 1985 and 1989 involved replacement workers, with only 3 to 4 percent of strikers being permanently replaced.

This legislation will undermine the balance in the collective bargaining process and, in the long run, foment increased labor-management conflict and costly strikes. The right of employers to hire permanent replacement workers has long been the counterbalance to the right of employees to strike in the labor-management relations design contemplated by the National Labor Relations Act.

The balance of power which serves as the foundation of the NLRA compels each side to the bargaining table to negotiate an agreement that is fair to both the employers and employees. This legislation would take away management's economic leverage, while leaving labor with a completely unfettered ability to exercise its right to strike.

H.R. 5 will cost jobs, not secure them. We should be focusing our attention on the need to address unfair labor practices, and on the need to address expediting the process of the National Labor Relations Board. We should not be pushing legislation which will accomplish nothing but economic disruptions to our productive capacity in an increasingly competitive global economy.

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. MURPHY].

Mr. MURPHY. Mr. Chairman, over 50 years ago this Congress passed an act allowing workers to join together and negotiate the conditions of their employment with their employer, the conditions meaning retirements benefits, the hours they would work, the safety conditions under which they would work, and, yes, their wages.

For over 40 years we recognized that right to organize together and negotiate together with your employer as the right that you would have to continue working once the labor negotiations were concluded. For 40 years that worked.

Approximately 12 years ago we seemed to change the philosophy in this country by saying that if you chose as a result of those negotiations that you could not get together and the employee found it necessary to walk off the job in protest, then that employee can be fired and permanently replaced by someone else.

Let us look at what this proposed legislation actually does. It merely says that if workers have joined together and they must be recognized as a bargaining unit, that if they negotiate and fail to consummate those negotiations within a period of time, the employer may, temporarily, continue his operation with supervisory personnel and temporary workers. He may continue his operation.

The employees then must find it necessary to go out of the plant, yes, on a work stoppage. The employee suffers because his pay stops. The employer does not suffer, because he may continue his operations with temporary employment as negotiations continue.

This is a fair balance. If we then take away the right of the employee to return to his place of work when the negotiations cease, where is the fairness? There is no balance.

Mr. Chairman, that is all we are striving to see, is a balance between their right to negotiate.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Chairman, unions complain about NAFTA and its effect in sending jobs overseas. Stop and think what H.R. 5 will do to job creation.

Would a small business expand in this country with all of our great restrictions, including this hindrance here? Would he expand his operation? I doubt it.

People wonder why no job creation has occurred coming out of this recession. Well, if you count all the government mandates and restrictions that this Congress has passed, you will find that they add something like 30 to 50 percent of the actual labor cost.

So a business has the choice of paying time and a half, that is 1½ times wages, or hiring new workers that will have to be insured and trained, and who will not be productive for some time. Good sense says no new hires; work overtime.

How about comparisons with the labor laws of other countries. It would be interesting to see the up or down vote by the leaders of organized labor on some of the other aspects of the labor relation laws of Great Britain, France, Germany, or the other nations whose ban on permanent replacement workers is so highly touted. Would organized labor favor multiunion representation of employees in the same work unit? This is the practice permitted in France, Italy, and Germany.

Would big labor accept a ban on any strike that is severe enough to grievously wound a company? This is the law in Germany.

Would big labor vote "yes" on a prohibition on strikes seeking union recognition? This is the current practice in the United Kingdom and Canada.

Mr. Speaker, let me tell you how this is going to affect business in this country. I will give you a few examples.

My company, Plastic Packaging, in Hickory, NC, is a converter of flexible packaging material, using high speed flexographic presses. It takes 3 years to train pressman to run the printing presses.

If this bill were to become law, these workers could walk off the job in an economic strike, and it would be impossible for me to find experienced workers to replace them. Most likely, I would have to close my doors, forcing about 150 other employees out of a job.

Or take the Timken Co. in Lincoln, NC. The Timken Co. has endured a few strikes in its 90-year history, and the company has never exercised the option to replace any striking workers. Despite its rare use, the possibility of strike replacements always plays a role at the bargaining table as a counterbalance to the union's threat to strike. The result is that the vast majority of negotiations are resolved without a strike.

If Congress enacted a striker replacement bill, labor unions would have an added incentive to impose a strike and prolong indefinitely a strike until management agreed to unions' demands.

Mr. Chairman, this is a terrible bill which deserves defeat.

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. KILDEE], a valued member of our committee and chairman of the Subcommittee on Elementary, Secondary, and Vocational Education.

Mr. KILDEE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, during the committee consideration of this bill we kept hearing that there will be no equality of pain or sacrifice for the workers if this bill passes. But let me tell you this: In 1936 my father joined the UAW, at a time when he had to wear his union button under his collar so he would not be fired by the corporation.

In 1946, my dad went on strike for 111 days. Let me tell you, there will always be pain for the workers during strikes.

I was a junior in high school during those days, and the Kildee household really suffered in 1946. I and my classmates at St. Mary's School could not buy new clothes. Our neighborhood ate cornmeal mush more often. Many seniors could not order their class rings. Many house payments in that area of town were not made.

There is suffering. My mother is 93 years old, and that year, 1946, when she was 46 years old, was one of the most miserable of her life, almost as bad as during the peak of the Great Depression.

My dad's employer did not permanently replace him during that strike, but the pain was very, very real, and this bill will not eliminate the pain and suffering of the strikers.

My dad voted freely for that strike in 1946, and he never for a moment regretted that vote. It was a very important thing to raise the standard of living of workers in the city of Flint, MI.

He never regretted that vote. But during that strike there was much suffering, much suffering, and his family felt that suffering. And I am proud to this day of my father for voting for that strike.

This is not about a faceless union or a faceless management, this is about real people trying to secure justice.

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. BOEHNER].

□ 1350

Mr. BOEHNER. Mr. Chairman, proponents of the strike maker bill claim the practice of hiring permanent replacement workers did not occur before the 1980's. They maintain this practice became commonplace only after President Reagan fired the striking air traffic controllers in 1981. If this statement is correct, then cases before the National Labor Relations Board should indicate a trend toward greater use of replacement workers during the 1980's.

The best way to measure the use of replacement workers by employers during the 1980's would be to find the number of cases before the NLRB that cite the MacKay decision. The MacKay decision determined the conditions under which employers can use replacement workers.

The employment policy foundation conducted a study of decisions made by the National Labor Relations Board, searching for references to the MacKay decision. They found over 500 cases that cited the MacKay decision. There is a reference to the MacKay decision every year between 1938 and 1987, with the exception of 1957. If replacements were used with greater frequency after 1981, there should be more references to the MacKay decision during the 1980's especially when compared to other decades.

According to this chart, the average number of references to the MacKay decision during the 1980's is about the same as other decades. Notice how the frequency of decisions citing MacKay is slightly lower than the 1970's. It is interesting to note the years with the most cases citing references to the MacKay decision were 1977 and 1980—when Jimmy Carter was President.

This chart proves that the use of replacement workers is no more common in the 1980's than it was in any other decade since the enactment of the National Labor Relations Act. It also proves that replacement workers are not a recent phenomenon. They have been used since the enactment of the National Labor Relations Act.

The issue with H.R. 5 is not replacement workers. By creating a new workplace right, and giving it to only union members, H.R. 5 is an attempt to give big labor a new organizing tool. Instead of calling H.R. 5 the strike replacement bill, I would name it the "Jurassic Park" labor bill. Big labor is a lumbering dinosaur doomed to extinction in a changing world economic environment. H.R. 5 creates a special habitat so they can live forever. Unfortunately, small business and job creation will be destroyed if these ancient creatures are allowed to dominate the economic landscape.

Mr. WILLIAMS. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MILLER], a member of the committee and the chairman of the Committee on Natural Resources.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding time to me.

I simply say that this bill is cast as an either/or. Somehow only manage-

ment can determine what is good for a company or its customers and/or its shareholders, as if the workers did not care whether or not a company went into bankruptcy, was not able to turn out a product that would be acceptable to the customers or care whether or not people were prepared to make an investment in that company. The days of either/or have gone by, and we know that. We know that from labor and we know that from management.

What this bill suggests is that both labor and management should have an equal say, an equal partnership in the destiny of that company, that, in fact, the corporate body encompasses more than just management and the shareholders, because the success of a company is attributable also to its workers, and that those workers, when they have legal and legitimate grievances, should be able to press those grievances as hard and as equally as the employer may be able to. And they should not be in a situation where they can be fired for undertaking a legal strike.

The issue is not whether or not there are MacKay decisions at the National Labor Relations Board. The issue is not whether or not there are replacement workers.

The issue is whether or not one can be fired for exercising a legal right that is guaranteed under the law. And the answer today is, they can. So it is not about the cases at the National Labor Relations Board. It is about the strikes that never took place. It is about the unilateral decisions made by corporations about the workplace, about the hours, wages and working conditions of workers and the strikers had no ability to enter into those negotiations on an equal basis with the employer.

This is about the dignity of workers. This is about recognizing that if American companies are going to survive in the 1990's, they are going to do it in partnership with their employees, that an employer is not going to be able to simply dictate what the future workplace will look like. That effort has been led by enlightened labor unions. That effort has been led by enlightened employers. And we see examples of it now throughout the entire American economic landscape.

Now, we still have, as the gentleman pointed out, some people who want to participate in a Jurassic Park mentality. We have employers that believe only they can make a decision about the future of that company or employees, but that is really not where this Nation is going.

This legislation encompasses the best of collective bargaining. This legislation encompasses the best of the balance between an employer and an employee and preserves those rights.

We all agree that there is a legal right to strike. We simply now want to say that one cannot be fired for exercising their rights under the law.

69-059 O—97 Vol. 139 (Pt. 9) 27

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, this Member rises in opposition to H.R. 5, the striker replacement bill.

This Member cannot support this legislation in its current form. The right to strike and the right to replace strikers are key elements in the procedures established in the current National Labor Relations Act. If indeed there is a problem with the balance of employer/worker rights—and this Member is not convinced that there is—the way to address it is not to remove the 50-year-old distinction between an unfair labor dispute and an economic strike. That is what H.R. 5 does.

Current law recognizes that economic self-help is an integral component of the collective bargaining process. Market forces are a key factor in determining the outcome of bargaining disputes. The rationale of the National Labor Relations Act is that an employer's ability to hire permanent replacement workers is the most reliable barometer of the legitimacy of the strikers' wage and benefit demands.

Further, Mr. Chairman, H.R. 5 would do little to increase the protection already available to striking workers. Under current law, returning strikers may not be discriminated against with regard to wages, benefits, seniority, or terms and conditions of employment. The use of replacement workers is already limited by several constraints. In 1990, the Bureau of National Affairs reported that replacements were used in only 14 percent of all strikes in the United States.

Mr. Chairman, H.R. 5 would increase the number of labor disputes, it would remove from the collective bargaining equation the key determining factor of market forces, and it would do precious little to augment current protections available to striking workers. This Member simply cannot support a bill with such negative ramifications and such little practical benefit to anyone, including potential striking workers.

Mr. Chairman, this Member urges his colleagues to vote against this detrimental legislation.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding time to me.

H.R. 5 should really be called the strike maker bill. By dramatically altering current labor law, it will upend the balance that has existed between labor and management for a half century and provide a wave of strikes that will disrupt the economy on a large scale. The Congress should have no illusions about what we are contemplating today. There is no other legislation before the House that is as threatening to our economy as H.R. 5.

For 50 years, we have enjoyed a carefully crafted balance in the bargaining power of business and labor. As both sides approach the bargaining table, each know that they have something to lose if they fail to reach an agreement and a strike results.

Employers know that a strike will severely disrupt their operations and possibly destroy their company's competitive position forever. Workers, on the other hand, know there is at least a chance the employer may be able to continue longer than they are prepared to accept.

As long as this balance exists, strikes are rare, and amicable labor-management relations are common. But H.R. 5 will destroy this balance.

By eliminating even the possibility that an employer will be able to hire replacements, it will radically shift the balance of power in favor of big labor and against management. Union leaders will able to call strikes for their demands, reasonable or unreasonable, with hardly a worry that the strike could fail.

The predictable result—it will not be higher wages and better benefits. It will fewer jobs and more automation. By this act, Congress will overprice American workers and force American companies to either export jobs or to increase the use of automation. We can't forget that we live in a global marketplace. Companies in the United States do not just compete against other U.S. companies; they compete against other companies in the world. This bill will give foreign competitors an advantage by causing labor costs to rise. Additionally, for the companies that are not able to escape by leaving the borders or using automation, the strikes they face will cause shortages and further contribute to a down turn in the economy. These unions demands will result in higher prices for the consumer and lessened demand for products.

We exist in a global economy. We must work with American companies to encourage them to create jobs and provide quality goods and services. H.R. 5 is antithetical to that objective. It will kill jobs, raise prices, and hurt the economy. Vote no on the strike-maker bill, vote no on H.R. 5.

Save yourself an embarrassment later on when this economy is severely handicapped by a spate of strikes across the country and a renewal of union violence during the strikes. Vote no and save yourself the embarrassment before your constituents.

□ 1400

Mr. WILLIAMS. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. KLINK], a valuable member of the committee.

Mr. KLINK. Mr. Chairman, I think everyone needs to realize when a strike occurs it is a sign of a failure. It is a

sign of a failure between the workers and it is a sign of a failure in the management or ownership of that company.

Under current law, if H.R. 5 is passed, the company still will be allowed to hire temporary replacement workers. They will still be able to continue to do business. But for the people who are on strike, there is no income. If anyone has ever known anyone or talked to someone who has been on strike, they know there is a feeling in the pit of their stomachs like when a relative dies or a marriage falls apart. it is not a happy time. It is not something that workers do frivolously because they want to force the company into a corner.

I have been a union negotiator. I have sat across the table from negotiators, hired guns, we called them, who would come in from out of town. They would sit there and they would stare you in the eye and say, "Unless you accept these concessions, we will hire replacement workers. You will all be on the street."

There is nothing that can cause more fear in the hearts and minds of workers and their families than to realize that they are worth no more than chattel, than property, that are to be bought and sold with a leveraged buyout every time a company changes hands.

H.R. 5 would give dignity to the workers, would allow the workers to, with that dignity and respect, be able to bring more dignity and respect to the workplace. I rise in strong support of H.R. 5.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to H.R. 5. This legislation is an attempt to unbalance the current parity of rights enjoyed by workers, labor unions, and employers which have been protected by the National Labor Relations Act [NLRA] since 1935.

In H.R. 5, unions are unbalancing the delicate balance between the rights of labor and management to suit their fancy, and political strength, despite the fact that unions only represent 11.5 percent of America's private work force.

The first effort to unbalance our collective-bargaining system is between the union, with its last resort right to strike, and management, with its last resorts right to hire permanent replacement workers. Under the NLRA, unions have had the right to strike and employers have had the right to replace striking workers in order to protect and continue their business operations. The strength of the current law is its deterrent effect—the union's threat of a strike is balanced by the employer's threat to hire permanent replacement workers. These counterbalancing weapons bring both parties to the table to work out an agreement, thus making the actual use of the rights to strike or hire permanent replacements steps of last resort.

H.R. 5 unravels this delicate balance by simply eliminating the right of employers to have their last resort, to hire permanent replacement workers. Thus, the most meaningful bargaining chip an employer has to balance off against a union's right to strike and close the employer's business is simply declared illegal. The fact that it has been an unquestioned right for 58 years and has been consistently upheld by the courts apparently means nothing to the union leaders who espouse H.R. 5.

The second effort to destroy the balance of our collective-bargaining system is between unions and their right to strike and workers, all workers, union or nonunion, and their right as a worker not to strike. The right not to strike is also guaranteed by the NLRA.

H.R. 5 trivializes the right not to strike by creating a new employment preference which grants returning strikers the right to bump nonstrikers and crossovers from their jobs. And how is this done? By making it illegal—an unfair labor practice—for an employer not to allow a returning striker with greater seniority to oust a nonstriker employee from his or her job.

Current law already prohibits employers from giving nonstrikers any type of employment preference, such as higher wages, increased benefits, et cetera. Current law also states that employers must give employment preferences to returning strikers after the strike is ended, in the form of job reinstatements for job vacancies, both for present and future vacancies. But the Supreme Court has specifically held, in the 1989 case of TWA versus the Independent Federation of Flight Attendants, that returning strikers have no right to bump nonstrikers out of their jobs.

In the TWA case, the Court pointed out that the flight attendant positions occupied by nonstrikers were not vacant. Such jobs, the Court advised were therefore not available for reinstatement by returning strikers after the strike had ended. The Court ended this comment by saying that to bump nonstrikers, "would have the effect of penalizing those who decided not to strike in order to benefit those who did." The Court added, "We see no reason why those employees who chose not to gamble on the success of the strike should suffer the consequences when the gamble proves unsuccessful."

In other words, if the employer is forced to penalize the nonstriker by taking away his job and giving it to a striker, what good is the exercise of the right not to strike, which is a guaranteed right of all workers in this land? The delicate balance between the right to strike and the right not to strike would be destroyed by H.R. 5. This is a new organizational tool for big labor to help them get back lost membership.

Mr. Chairman, all of the rights I have referred to—the right of the union to strike; the right of an employer to counter an economic strike by hiring permanent replacement workers, and, last but not least, the right of all workers—individual workers, whether union or nonunion, to exercise his or her right not to stike—all of these are last resort decisions which can bring about a great deal of controversy in the communities of America. But they all play their part in this Nation's collective bargaining process. They function now within a tension of delicate balances worked out over 50 years of labor-management negotiations. They are as valid today as ever and we should not allow this bill to abruptly upend them.

Mr. Chairman, not even Senator Wagner, the author of the NLRA, in the heydays of union power, could ever have hoped to have found a Congress which would pass and give to unions this one-two knockout punch set forth in H.R. 5. I urge my colleagues to vote against the measure and preserve the balance of rights in our current collective bargaining system.

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. OWENS], the chairman of the Subcommittee on Select Education and Civil Rights of the Committee on Education and Labor.

Mr. OWENS. Mr. Chairman, I rise in strong support of H.R. 5. This bill is about the right to strike, the right to strike without any tricks built in, a 100-percent right to strike, the kind of right to strike that they have in most of the industrialized nations.

This is the beginning of the reestablishment in the United States of standards which we must build on. There is already a gross imbalance in terms of the advantages enjoyed by the bosses, the entrepreneurs, and manufacturers versus the workers. There is a gross imbalance because they look for cheap labor all over the world.

In our labor market the workers have to compete with those cheap labor markets all over the world. We are going to have to establish some standards somewhere. Instead of looking to China with its prison labor and its controlled labor force, or looking to Mexico, with its poverty labor force, we should look to the rest of the industrialized nations, set standards which bring our standards in line with theirs, and fight for a new kind of worker rights for the rest of the world.

Workers need rights, and among those rights has to be the right to strike, the right to certain conditions, and the next step should be we should

insist that our Nation will never trade with a nation that does not offer worker rights.

A set of worker rights would protect the jobs of the workers here in America. Only those nations that have similar rights for workers should be allowed to compete with us, and only those nations that have similar rights for workers should be allowed to trade with us. That is where we are headed. That is where we are going to end up.

Everybody who is now not an owner of a factory, who is now not a boss, must stop and consider the fact that they will end up as workers. A lot of college professors, a lot of scientists, a lot of engineers, they are going to be workers, too.

Mr. GOODLING. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I was glad for the comments of the gentleman from Illinois [Mr. FAWELL], because he brought us back to reality. He started talking about what is actually in the legislation at the present time, what the law really is.

Allowing permanent replacement workers is not the same as allowing an employer to fire an employee for engaging in a lawful strike, and my opposition to H.R. 5 is not tantamount to a sanction of union busting. I support wholeheartedly the protections in the current law that are extended to economic strikers and would oppose further infringement on the lawful exercise of the right to strike. Among these statutory protections are the fact that economic strikers remain statutory employees eligible for recall until they obtain regular and substantially equivalent employment and they remain eligible to vote in union elections for 12 months. Employers are prohibited from engaging in surface bargaining to instigate a strike so nonunion replacement workers can be hired. Likewise, employers may not grant additional benefits to either temporary or permanent replacement workers nor may they presume that replacement workers do not support the union for purposes of their duty to bargain. That is what the law is presently. It has worked well for 55 years. It needs some fine tuning, as I indicated when this came before us during the last session of Congress, but we should not be throwing out the entire legislative process that has worked so well and all of a sudden substitute something totally new.

In talking to my labor people back home, the big fine tuning that they see is necessary is to get the National Labor Relations Board to make decisions promptly on unfair labor practices, but this is a mass rewriting of the law. If we need a mass rewriting, then certainly we should wait for the Secretary's Commission that he has for labor law reform.

I am not arguing, as I said, that it is perfect. I have indicated in the past that it may be 51 to 49, 52 to 48 in favor of management. However, the legislation before us changes that totally in that it is now 75 percent labor to 25 percent management.

□ 1410

At a time when everyone says we want to make sure that we get more people working, we want the economy to recover, we keep bringing legislation over and over again that has the opposite effect. We are in a very competitive world. What we did in the 1950's, 1960's, and 1970's will not serve us well in the 21st century.

If we cannot get labor, management, and government working hand-and-glove, as they do in many other countries, we are not going to be the successful Nation we are presently. This legislation will drive us in the opposite direction.

In fact, I do not hear the President running around encouraging people to pass this legislation. He says he will sign it, but he has not encouraged anyone. He has not been pressuring anyone.

Let us take time if we are going to make major changes in this legislation, folks, and let us not precipitously do something we will be sorry for, and which will set us back dramatically in labor relations, and also in our economic recovery and improvement.

Mr. WILLIAMS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. MARTINEZ], a member of the committee and chairman of the Subcommittee on Human Resources.

Mr. MARTINEZ. Mr. Chairman, I rise today in support of the Cesar Chavez Workplace Fairness Act.

As the owner and operator of a small business for over two decades, I know firsthand the problems of successfully running a profitable business.

I know what it is like to compete with companies that are continually trying to cut corners by shortchanging its workers.

My colleagues on the other side of the aisle claim that this bill will upset the balance of power between labor and management that was originally created through the enactment of the National Labor Relations Act and the 1938 Supreme Court decision in MacKay Radio and Telegraph Co. verses the National Labor Relations Board.

But to believe this argument you would have to assume that:

Labor-management relations have not changed during the last 50 years;

The ability of workers to earn a decent living in a good job has not changed in 50 years;

The Federal Government has dealt equitably with labor in the last 50 years; and

Management has negotiated in good faith during the last 50 years.

These—of course—are false assumptions. Anyone who has picked up a newspaper in the last 50 years knows that this so-called balance of power is a contradiction in terms.

In 1981 the Reagan administration set the tone for labor-management relations for the 1980's by permanently replacing striking members of the PATCO air controllers union.

But the PATCO strike was just the tip of the iceberg. The well known GAO study on striker replacement found that in the 1980's employers raised the threat of permanently replacing strikers in one-third of all collective bargaining negotiation.

In cases where the employers have hired permanent replacements, what would have otherwise been a temporary interruption in the labor-management relationship, turn into full scale wars that are harmful to workers, harmful to their communities, and is even harmful to management. After an employer has hired a permanent replacement, it has little incentive to develop any compromise to break the strike.

America too will be harmed if this imbalance of power continues to grow. Our Nation cannot build the strong foundation for sustainable economic growth without the restoration of workplace fairness.

For that reason, I urge my colleagues to restore fairness in labor-management relations by supporting H.R. 5.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MCKEON].

Mr. MCKEON. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise today in opposition to H.R. 5, the striker replacement legislation.

I wish to discuss an impact of this legislation that the proponents have overlooked. Industries that rely on multiemployer worksites such as the construction industry would face serious economic disruption if this legislation became law.

According to the Associated General Contractors of America, representing over 33,000 construction employers, the vast majority of construction projects require multiple employers. For instance, to build a small fast food restaurant requires a general contractor, a masonary contractor, an electrical contractor, a plumbing contractor, a heating and cooling contractor, a roofing contractor, and other speciality contractors. In addition to these contractors, there are multitudes of construction suppliers ensuring that the proper materials arrive at the project at the appropriate phase of construction. Each of the partners on the construction project have determined which collective bargaining status works best for them. Likely, some are open shop while others have collective bargaining agreements.

While to you and I and the general public, a construction project may look

like disorganized chaos, there is indeed a well orchestrated plan in progress. To build even a small fast food restaurant requires that foundations, walls, fixtures, and the roofs be assembled at the precise phase of construction. Concrete pours must be done at the correct time or the material is wasted.

This legislation promotes labor strife, strikes, and work stoppages. In the construction industry, each member of the construction project team is dependent upon the other to perform their functions as smoothly, professionally, and efficiently as possible. If any member of the construction team is involved in a labor dispute, all of the members of the construction team, regardless of their labor policy, are held hostage.

In the construction industry, where failure to meet completion deadlines often carries financial penalties, contractors may have no choice but to hire new workers when their employees walk out and refuse to work. Additionally, the short construction season found in many parts of the country makes it essential that construction contractors have the option to hire new workers to complete construction projects before the weather becomes uncooperative. It is the contractor's right to maintain operations during the course of an economic strike that this legislation would deny.

This legislation would introduce an unfair element into the existing balance of labor-management relations that would be particularly hard felt by the construction industry. A contractor's right to hire permanent striker replacements is one of the few mechanisms available to maintain an incentive for unions to resolve labor disputes. Without this essential option, unions would be given controlling power in all bargaining situations, even controlling power over workers not affiliated with the unions.

Unions are frequently in a position to sustain an economic strike longer than an employer. With financial penalties for failure to meet project completion deadlines, construction employers must find ways to continue operations. If a union has no incentive to settle a labor dispute because its members' jobs are secure while the employer and open shop employees are in severe financial jeopardy, a construction contractor will be forced to capitulate to the union's demands—no matter how outlandish or ridiculous they might be.

As I am sure my colleagues can understand, the construction industry strongly opposes this legislation. Current law adequately protects strikers in situations where their positions may be jeopardized by unfair labor practices. H.R. 5 would fundamentally alter the carefully crafted balance between labor and management which is essential to effective and fair collective bargaining. I urge this body to oppose the strike bill.

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the third-term gentlewoman from Washington [Mrs. UNSOELD], a member of our committee.

Mrs. UNSOELD. Mr. Chairman, men and women of this country went through a bloody period in our history as workers fought for conditions at work, for hours of work, for decent pay. The country gave them a commitment for organized workers to have the right to strike. An obscure court decision more than 50 years ago, little observed, has upset the balance that took place where both sides had about equal incentives to go back to the bargaining table. Workers would be without salaries and companies would be without the benefit of that labor and, hence, would lose their profits.

We hear cries that oh, if we pass this legislation to ban the permanent replacement of strikers, that there will be so many more strikes. Mr. Chairman, we have just seen the conclusion of the Greyhound strike, 39 months, which was probably prolonged for this very reason, over the issue of permanent replacement. Greyhound had the replacements before the strike began.

In my own district, Thunderbird Red Lion had about 35 workers, who were mostly single mothers, who lost their jobs when the employer wanted to take away their health benefits and they were permanently replaced. Right now, the Alaskan Air Line flight attendants are looking at the possibility, having had no increase in salary, no negotiated increase in salary in 6 years, are being threatened with being replaced if they now strike.

Mr. Chairman. I rise in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act. Enactment of this important legislation would be a fitting tribute to the memory of a man who dedicated his life to the struggle of working men and women for a decent wage and a clean and safe workplace.

The National Labor Relations Act of 1935 and the Railway Labor Act of 1926 are intended to provide the framework for the collective bargaining process, and to do so in a neutral fashion intended to ensure that both management and labor see resolution of their differences to be in their best interest. Strikes hurt management because they disrupt business or production. Strikes hurt labor because their members depend on their salaries to feed and clothe their families.

This legislation is coming before this body today because the balance between business and labor has become skewed. While the right of employers to hire permanent replacements was enshrined in the 1938 Supreme Court case of NLRB verses MacKay Radio, until recent years few employers have seen it to be in their best interest to exercise that option. Strikes no doubt create some hard feelings that may take some time to heal, but trained and experienced workers are able to quickly return a business to the smooth and profitable operations that existed prior to the strike.

Unfortunately, one of the very ugly legacies of the greedy decade of the 1980's was the trend toward leveraged buyouts, with the drive for slashed costs and quick profits to pay off the high cost of the buyouts. Thousands upon thousands of American working men and women have seen their jobs disappear as greedy corporate executives moved to slash wages and benefits. Numerous profitable operations have been moved abroad to cheaper labor markets. Countless executives came to believe the climate had changed sufficiently to permit them to force organized labor out of their work forces. The right to hire permanent replacements suddenly became a tool toward that end. Employers found they could force organized labor to strike and then use that strike as the opportunity to hire replacement workers, who then could vote to decertify the union. While labor decertification is no doubt not the intention of every employer who hired permanent replacements, the difference means little to those working men and women who have depended on that job for their livelihood.

Some of my colleagues have made mention of some of the well-known cases where permanent replacements have been hired in bitter labor disputes in recent years—cases like Greyhound, Phelps Dodge, International Paper, and Continental and Eastern Airlines—the Greyhound strike lasted 39 months, ending only recently. I am told that that strike would have ended much sooner had not the employer hired permanent replacement drivers.

I would like to take a few moments to cite some examples from my own home State of Washington. In my own district, in Kelso-Longview, members of the Hotel and Restaurant Workers struck the Red Lion Inn over management's announced intention to terminate health benefits. The workers went on strike right before Christmas and the employer immediately moved to hire permanent replacements. Sixty-three employees struck, some three-quarters of them being female, and most being single mothers. While a settlement of sorts was reached, the vast majority of the hired permanent replacements have kept those jobs and the employer has terminated the health plan and a subsequent vote to decertify the union was successful. These workers lost their jobs in a community already reeling from a timber crisis that has created high unemployment, making their chances of finding other employment slim.

A current compelling example of the need for enacting this important legislation can be found in the ongoing labor dispute between the Association of Flight Attendants and Alaska Airlines. They have been negotiating over a new contract for 3 years, the last 1½ in mediation. A 30-day cooling off period is scheduled to end at midnight Friday. If this legislation had been enacted into law the flight attendants would most likely then engage in a traditional strike, lengthy negotiations having failed. However, because of the very real threat of losing their jobs to permanent replacements, they are instead going to have to engage in selective sudden strikes that may last only 1 or 2 days and on only certain routes.

Almost 2 years ago, this body passed the identical legislation to that we have before us today, only to see the legislation die in the

other body. The need for this legislation is no less compelling today. I urge my colleagues in the strongest possible terms to pass H.R. 5. Let us return the intended balance between the forces of management and labor. Let us act to ensure that working men and women will not live in fear that they will lose their jobs by exercising their legal right to strike over economic issues.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Chairman, as has been stated so often in recent months, here we go again. In this instance, Washington is going to create jobs.

Come on. Give me a break. People in Government, especially those who have made Congress a career, know little about creating jobs, especially in the private sector. Remember that the great efforts of Congress over the last number of years to create jobs has created a country where we have more people working in Government than we have making things or working in the manufacturing sector. It is any wonder that we are having trouble competing on a global basis?

Having recently come from the private sector, working for a company that grew and prospered, I can tell Members that business felt the long arm of Government reaching out and trying to hold it back.

□ 1420

Let me give you some examples: The Civil Rights Act of 1991 adds punitive and compensatory damages to the plaintiff's lawyer's arsenal. The result? Businesses now need to make larger investments in defensive activities.

This great piece of legislation which we passed 4 months ago, the Family and Medical Leave Act, our dealing with this issue in terms of its relationship to the business community and employees borders on the irresponsible. It took Government 4 months to develop these regulations, 93 pages of legalese. Business have 2 months to implement. By the way, these are interim regulations.

Businesses are going to have to change again, because we really do not know what we want businesses to do. That is why we have to take a look at H.R. 5, not by itself, but as another load that we are putting on the back of businesses. Soon we will reform OSHA, and we will tell business how to form employee-management relations.

The bottom line is that what we are doing here in Washington kills jobs in the United States. We are creating them in Japan, Korea, Mexico, and Europe.

The Joint Economic Committee estimates that, in 1992, we are spending $130 billion more on regulatory enforcement than what we spent in 1990; 2.2 million jobs were lost from 1990 to 1992 because of the changes that we have made.

Now, we add the striker maker bill to this load.

I would like to quote from a former Senator, George McGovern, who went into business and went bankrupt:

> I wish that during the years I was in public office I had this firsthand experience about the difficulties business people face every day. My business associates and I lived with the Federal, State, and local rules that we all passed.

Final comment, "Wisdom too often never comes." I would hope that in this case, for my colleagues on the other side of the aisle, that it comes and we will not regret it because it comes too late.

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK], another member of the committee.

Mrs. MINK. Mr. Chairman, the issue facing the House of Representatives today is a very simply and basic issue, and that is whether, as an institution here representing the workers all across the country, we understand the fundamental right that was extended to workers throughout this Nation by the enactment of the National Labor Relations Act. That act put to rest the undeniable principle that workers had a right to come together, to collectively bargain, to discuss issues of concern about their working conditions, about the just rewards that they felt they were entitled to receive as a part of a company. That is what is at issue here today, the reinstatement of rights and privileges of workers across this country that have been systematically denied them in repudiation of the NLRB through courts' decisions and through other acts in industry itself.

This Congress cannot turn its back against an enactment over 50 years ago.

There is an issue here of a simple definition. What do we mean by permanently replace? There is no other definition except firing. When you permanently replace someone, you fire them. You deny them the right to go back to work, and a cardinal principle and policy of the NLRB was to say that workers could come together, collectively bargain, and if there was a dispute between employer and workers, that could not be resolved, that they could deny their labor to the employer and go on strike, and under those conditions, they should not be fired.

If you allow the employers to fire these workers by permanently replacing them, all you are doing is saying that the ultimate power and weapon of the worker has been stripped.

So, my friends, I hope that you will support H.R. 5 and give the working people of America strong endorsement of this basic principle.

Mr. Chairman, I rise today in strong support of the Cesar Chavez Workplace Fairness Act, which seeks to restore fundamental justice to workers who stand up for better wages, health insurance, and working conditions.

Over 50 years ago, we guaranteed workers who came together as a union the right to strike for better wages and economic conditions. This law, the National Labor Relations Act also protects workers from being fired for legally engaging in a strike.

This law, the very foundation upon which the balance between labor and management rests, is being eroded by the use of a loophole, which allows striking workers to be permanently replaced.

This loophole, known as the MacKay doctrine, has undermined the collective bargaining process by giving management an unfair advantage over labor. With the threat of losing their jobs if they strike for economic reasons, labor has little or no leverage in the bargaining process.

When Congress passed the National Labor Relations Act in 1935, also known as the Wagner Act, it guaranteed the right of workers to organize, bargain collectively, and strike if necessary. The act also makes it illegal for companies to interfere with these rights.

However, not long after passage of the act, a Supreme Court decision in 1938 seriously undermined a union's right to strike. In this case *NLBR versus MacKay Radio and Telegraph Co.*, the Court ruled that employers could not discriminate against a worker engaged in a legal strike. However, the Court also said that an employer could permanently replace that worker.

Ironically, the language of MacKay Radio permitting permanent replacements, was not a actual ruling, but merely part of the Court's discussion, in what is known as dicta. However, that language has come to be accepted as it were a ruling.

In the first 40 years after MacKay Radio, permanent replacement workers were rarely used. Most employers recognized that productivity normally depends upon a long-term, stable, and skilled work force and on employee morale, all of which are sacrificed through the hiring of permanent replacements.

Today, that has changed. With a corporate climate of mergers, leveraged buyouts, chapter 11 bankruptcies—the worker is just another chip in the market. Employers are more interested in short-term profits rather than the long-term stability of the labor force.

In 1989, the Supreme Court reaffirmed and extended the ability of employers to permanently replace striking workers in Trans World Airlines versus Independent Federation of Flight Attendants. In this case the Supreme Court applied the MacKay doctrine to workers protected under the Railway Labor Act and held that not only newly hired replacements, but also members of the bargaining unit, who crossed the picket lines were entitled to preference over more senior strikers.

The result has been that thousands of workers across the country have been forced out of jobs for legally participating in an economic strike: 3,500 Continental Airline pilots, machinists, and flight attendants in 1983; 2,400 workers from 13 unions at Phelps Dodge in 1983; 1,300 members of the Molders union at Magic Chef in Cleveland, TN, in 1983; 1,000 printers, mailers, and pressmen at the Chicago Tribune in 1985; 1,100 UAW members at Colt Firearms in Hartford, CT, in 1986; 6,000 flight attendants at TWA in 1986; 340 paperworkers

at the Boise Cascade mill in Rumford, ME, in 1986; 2,500 paperworkers at the International Paper mills in Maine, Wisconsin, and Pennsylvania in 1988; and 30,000 Eastern Airline machinists, flight attendants, and pilots in 1989.

Isn't there hypocrisy in the state of the law today which says that it is unlawful to fire workers for going on strike for economic reasons, yet if they do go on strike, it could result in their jobs being permanently replaced?

I challenge anyone to talk to a former employee of Eastern Airlines, Greyhound, or the New York Post and ask them if there is a difference between being fired or being permanently replaced. My guess is that the answer will be "no, there is no difference." No matter if workers are fired or permanently replaced, they are still left with no jobs, no income to provide for their families, and the task of finding work in a tightening economy.

H.R. 5 will ensure that the working families of our Nation will not have to suffer the economic hardship, the humiliation, and the suffering caused by permanent replacement.

It will restore the balance between labor and management and give the working men and women equal footing in the collective bargaining process.

And most of all, H.R. 5 will restore pride and confidence of American workers.

I urge my colleagues to vote for H.R. 5, the Cesar Chavez Workplace Fairness Act, and restore the rights of American workers.

Mrs. ROUKEMA. Mr. Chairman, I would like to respond to the comment of my colleague from Washington, Mrs. UNSOELD, highlighting the Greyhound strike as evidence of why legislation to ban the hiring of permanent replacement workers is necessary.

First, I would make the point that the Greyhound strike involved charges of unfair labor practices, and where a strike is instigated or furthered by unfair labor practices committed by the employer, striking employees would have a right to immediate reinstatement at the conclusion of a strike. This right to reinstatement is provided by current law and I support this right.

I would add, however, that the Greyhound strike provides a perfect example of the need for reform of the case management processes at the National Labor Relations Board, an issue which I have long argued should be the focus of our debate on improving the collective bargaining process. The tentative agreement settling the Greyhound strike, over 3 long years after the admittedly very bitter strike began, requires Greyhound to pay $22 million in back wages to union drivers, recall 550 of the remaining strikers, reinstate most of the 200 strikers who were fired for alleged misconduct, and increase hourly pay for drivers to $16.55 per hour from $13.83 per hour by March 1998.

Whatever you think of the merits of this settlement, we all must agree that a 3-year delay in closing the book on one of the most hard fought labor-management disputes of this decade does not provide justice to either employers or employees. I will continue to press the need for NLRB reform and I urge my colleagues on both sides of the aisle to join this effort.

Mr. WILLIAMS. Mr. Chairman, I yield 1½ minutes to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I rise today in strong support of H.R. 5 and I commend Chairman FORD and Chairman DINGELL for their work to bring this very important bill to the floor.

There is no labor issue more vital to working men and women than the right to voice their grievances to management without the fear of losing their jobs.

The right to strike was won through the blood and sweat of the American labor movement generations ago. By firing and permanently replacing the air traffic controllers in 1981, Ronald Reagan set bad policy that has continued for more than 10 years. Thousands of workers, exercising their fundamental right to strike, have been fired and permanently replaced.

Mr. Chairman, this bill is our chance to restore fairness to worker-management relations and to halt the relentless attack on organized labor over the past 12 years. American working men and women have enough struggles without having to worry that they will lose their jobs and health care if they use their legal right to strike.

I urge my colleagues to strike a victory for working families and support H.R. 5.

Mr. WILLIAMS. Mr. Chairman, I yield 1 minute to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Chairman, I rise today in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act, a bill which is of utmost importance to me and to working citizens across the country.

This legislation is very important to working men and women in this country as it simply eliminates an irregularity in the law that makes it unlawful for employers to remove their employees engaged in a lawful economic strike, while permitting employers to permanently replace such employees. To be permanently replaced for exercising your statutory right as a worker is an outright injustice to working Americans—especially when they are exercising a right protected by law.

Second, Mr. Chairman, this bill is of paramount importance to working Americans because it further prohibits employers from giving any employment preference to a striking employee who crosses the picket line to return to work before the end of the strike. This measure thereby overturns the 1989 Supreme Court decision which has affected thousands of employees who at the end of a strike find that their jobs have been replaced by those who crossed the picket line as employers are allowed to give preference to them over senior employees who were simply exercising their working rights.

Mr. Chairman, H.R. 5 must be passed by the Congress to stop the decade-long practices of unscrupulous employers from taking advantage of a loophole in our labor laws to hire or threaten to hire permanent replacements. This threat has been used by employers so much in the past decade—according to a GAO report, was raised by employers in one third of all collective bargaining negotiations. I have been told that employers have come to view collective bargaining not as a means of negotiating wages and working conditions, but of recruiting a new work force or permanent replacements.

Contrary to opponents of this bill, this measure will not tilt the balance in labor relations unfairly toward workers. Passage of this bill will continue to affect workers who go on strike as they will continue to lose their paychecks—and employers will still continue to retain their many options to continue operations by hiring temporary replacement workers.

Finally, Mr. Chairman, this legislation will not apply to nonunion workplaces. I urge my colleagues to strongly support American workers by voting yes for H.R. 5.

Mr. WILLIAMS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. FORD], the chairman of the Committee on Education and Labor.

Mr. FORD of Michigan. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I want to take this opportunity to compliment the gentleman and his committee for the diligence with which they have pursued bringing this legislation back to the floor again.

I think that they were wise to bring us the same bill that we passed with 247 votes 2 years ago in this body, and without any attempt to change it, to either improve it or toughen it or do anything of the kind.

□ 1430

So anyone who within the sound of my voice who had been told that this bill is something different from the bill which 247 Members of the House voted on 2 years ago is totally wrong; they are misinformed. But it is easy to see what the misinformation is here.

I do not want to pick on my dear friend, the gentlewoman from New Jersey, because she is indeed my dear friend and a valued member of the committee. But when this bill was before the full committee, she may remember that I took a moment to ask unanimous consent to place in the RECORD the Supreme Court decision in the MacKay Radio case. I did this because I found as we discussed this issue that the MacKay Radio case is sort of like the Bible. When I hear people telling me what is in the Bible they often leave me with the impression that they never read it before they came to their conclusion. Something you ought to really understand is this—the parties never presented to the Court the question of permanent striker replace-

ments. Nobody briefed that question at the National Labor Relations Board, the Federal court system on the way to the Supreme Court, or in the Supreme Court.

It might come as a surprise to some of you who liked that decision that the MacKay Radio lost in the Supreme Court and was ordered not only to hire back all of the strikers he replaced, but to provide back pay for the five people that they tried not to take back. They were ultimately told to take them all back and pay the ones that they did not take back immediately back pay for the time they had off. So they not only got their jobs back, but they got more than they would have gotten by being rehired; they got what they would have been making at their other jobs plus the back pay.

Now, how does it happen that, if labor won that case all the way to the Supreme Court, 50 years later we have a problem with it? What happened was that, after the Supreme Court battered the poor MacKay Radio Co. around all over the place and systematically affirmed every step of the procedure that was twice before the National Labor Relations Board before it got into the courts, some clerk over there thought they ought to throw them a bone, and so they said in closing out the opinion, "But on the other hand, if the issue had been hiring people to replace the strikers so that MacKay could continue working, then we would not have approved of that."

That was the slender reed that hung out there for 50 years. And the real explanation for why it was not used all those years, the figures that we heard from Ohio to the contrary notwithstanding, was that labor relations lawyers did not trust the fact that if they got into trouble that slender reed was going to save them.

Mr. Chairman, H.R. 5, the Workplace Fairness Act, is long-overdue legislation intended to restore peace to the collective bargaining process, to ensure that labor-management negotiations do not descend into violence, and to allow working people, faced with the overwhelming stress of going on strike to defend their rights, to return to work when a settlement is reached.

This legislation responds to court decisions and changes in labor law that have tipped the balance against labor and effectively deprived workers of the right to strike, a right recognized by the National Labor Relations Act of 1935.

The NLRA replaced the law of the jungle, an era of street confrontations, goons and mass arrests, threats and violence. The act brought forth a new era of peaceable collective bargaining, an era that coincided with the flourishing of our economy and an enormous rise in our Nation's living standards.

But it was not long before the law began to chip away at the foundations of the NLRA. In one relatively insignifcant passage of its 1938 Mackay Radio decision, the Supreme Court held that employers had the right to hire temporary or permanent replacement workers during strikes. The ruling marked the legal beginning of a sad chapter in American labor-management relations, though for decades, few business owners even considered hiring replacements. They had good reasons.

They recognized their obligations to their communities, their employees and the long-term health of their companies. Employers and employees tended to be members of the same community. They shopped in many of the same stores and prayed together in the same churches. Their kids were in the Boy Scouts and Girl Scouts together.

Employers had seen that together with their employees, they had built the companies. They thought it was simply wrong to fire long-time employees over a temporary dispute. They knew hiring permanent replacements would cost them money—in training, bad morale, and bad publicity.

In the 1980's, this sense of mutual obligation disappeared for many companies. Again, there were several reasons. One was that Congress had enacted several important changes in labor law over the decades since the NLRA, changes that diminished unions' ability to enlist secondary strikers as additional leverage. Detrimental Supreme Court decisions over the last decade restricted labor and emboldened management.

Perhaps as important, company restructurings that were rampant during the 1980's buyout binge removed local ownership to some Wall Street banking house or distant conglomerate, where the new owners had never seen the plants of the businesses they were buying, only their balance sheets. The desire for profits—or just the need to maintain interest payments on their huge debt—eradicated any concern for the communities or for the businesses that had funtioned well and served particular markets.

The kicker was Ronald Reagan's firing of the air traffic controllers 12 years ago this summer, a shootout on Main Street that made him a kind of national hero. But it ushered in an era of strikebreaking not seen since the 1920's. But it ushered in an area of strikebreaking in which executives replaced constructive collective bargaining with a take-no-prisoners, win-lose approach.

As a result, several labor strikes resulted in high-profile, violent confrontations when management brought in replacement workers to take jobs away from long-time employees. Eastern Airlines, Greyhound, and Caterpillar hired replacements during strikes. Violence resulted from these disputes.

But the damage to the labor-management balance is not always so obvious as the near riots that occurred outside Caterpillar's Peoria, IL, plant or in Austin, MN, home of Hormel.

Opponents of the bill say few striking workers are replaced, and therefore no change is necessary. But that is misleading. The truth is that workers are being intimidated into agreeing to contract concessions when management starts training replacements even before the two sides go to the bargaining table. Workers are not replaced because they dare not strike.

In the long debate over this bill, opponents also have argued that this legislation would enable unions to call strikes at will, that their members can walk off the job with no risk, that workers will gain the upper hand if management cannot permanently replace them.

Anyone who has ever had a family member strike for their rights, who has endured the stress of a strike, who has had their living standards slashed because they were no longer getting a paycheck, knows that is a ridiculous argument.

Strikes are by nature fraught with risk and sacrifice in lost wages and peace of mind. They are called only as a last resort. But in the last decade, companies have lined up replacement workers as a first resort—to break unions.

It is no accident that this last decade of turbulent labor-management relations has coincided with stagnating income levels for America's great middle class. The gross contract concessions endured by workers is one of the factors in the failure of our living standards to sustain the growth rates of the 1940's, 1950's, and 1960's. Closing this loophole will, as the White House said in its statement of policy, "stimulate productivity and international competitiveness that are critical to our long-term economic strength."

Why? As Labor Secretary Robert Reich said, the Workplace Fairness Act "would foster the equilibrium and stability in industrial relations that are critical to the health of our economy. The sooner we conclude this chapter, the sooner we can turn our attention from the past and begin, together, to write the next chapter in our worker-management relations history."

Mr. Chairman, a lot of our colleagues have told me over the past few days that they are union supporters. It is time to demonstrate that. Not by supporting feel-good amendments that blur the issue, but by standing up for the right of working people to keep their jobs when a legal strike ends. Remember that labor unions represent actual people who, like everyone else, expect and deserve fair compensation for their efforts.

It is time to level the field. I urge my colleagues to vote for the bill.

Mr. GOODLING. Mr. Chairman, I yield an additional 2 minutes to the gentleman from Texas [Mr. STENHOLM].

And while he is walking over there, let me say that was the same decision that was also made in the Greyhound case.

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong opposition to H.R. 5. Contrary to what sincere, well-intentioned supporters claim, this legislation represents a dramatic upheaval in the fundamental objectives of our labor law. H.R. 5 does not correct some recent loophold or finding, but radically changes the balance of power that has existed in labor laws for more than 50 years.

The National Labor Relations Act was never intended to protect job security or guarantee the outcome of strikes for either side. Instead, the purpose of our labor laws has always been to balance the legal rights of the two sides in a labor dispute. Employees

have the right to withhold their labor so that they may bargain from collective strength. To balance the offensive weapon of the right to strike, employers have the defensive weapon of continuing operations during a strike, which occasionally requires the hiring of permanent replacements. Under this balance, the two sides in a labor dispute tend to avoid striking and hiring replacements, except as a last resort. In fact, two GAO studies found that only 4 percent of striking workers are permanently replaced.

Clearly, the law now promotes resolving differences through negotiation and conciliation, rather than confrontation, because the risk of loss to both parties is so great that compromise is cheaper than economic strife. H.R. 5 would radically change this balance and virtually guarantee the outcome of strikes: employers would have little choice but to capitulate to union demands.

In addition to the direct impact that H.R. 5 will have on labor-management relations, this legislation will have serious ramifications for many people who may never see the picket line. For example, I am concerned about the consequences this legislation would have in the area of health care. By impairing the ability of hospitals to continue operations during a strike, this legislation could result in traumatic disruptions of health care services, reduced access to services, and increased costs to consumers and the Government.

The ripple effect caused when a business is forced to suspend operations during a strike will send shock waves throughout the economy far beyond the struck company. Employees of suppliers and other businesses related to the struck business, residents of nursing homes, farmers waiting for their goods to be delivered to market and their customers waiting to buy these products—all of these groups will be severely affected if we vote to impair the ability of industries to continue delivering their vital services during a strike.

Mr. Chairman, passing legislation that would fundamentally change labor laws so that the Federal Government chooses sides and guarantees the outcomes of labor disputes will have much greater ramifications than many Members realize. I urge my colleagues to consider these ramifications when they cast their vote on H.R. 5.

Mr. WILLIAMS. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of the Cesar Chavez Workplace Fairness Act. Today, we honor my longtime friend and labor leader, Cesar Chavez, who tirelessly defended the rights of American farm laborers.

I ask my colleagues, in the spirit of the great labor leader Cesar Chavez, to vote in favor of a new era of peaceful and equitable resolution of labor disputes.

During the 1980's we saw the dissolution of the balance between labor and management. During the past decade we have seen that threats to replace striking workers permanently actually deters the process of collective bargaining, which is at the heart of any partnership. Our major trade competitors, including Japan and Germany, prohibit permanent replacement for strikers. To compete in the global market, the United States needs a stable and cooperative relationship between labor and management.

Today we can restore the balance and revive the core elements of the collective bargaining system by allowing American workers the right to strike without the risk of losing their jobs.

Mr. Chairman, today I honor Cesar Chavez and his lifelong fight for workplace fairness. I urge my colleagues to end this era marked by bitterness and mistrust, and vote in favor of the Cesar Chavez Workplace Fairness Act.

Mr. WILLIAMS. Mr. Chairman, I yield myself the balance of our time.

Mr. Chairman and my colleagues, let us understand something here: This bill is not about big labor; it is about little workers. It is about the rights of people who, when finally as a last resort, lose all their salary by withholding their labor; it is about their right to have a job when that strike has ended. It is about their families' right to keep their health care. It is about their right to keep their pension that they may have worked 40 years to earn.

This is not about creating a right to strike. Americans fought long and hard early in our history to get the legislation to legal right to withhold their labor and to strike.

Americans have that right. But what good is the right to strike if, when you do it, the boss fires you?

This bill is about the right to return to work. Surely every American in this country who exerts a legal right should be able to hold on to their job, at the very least. Those Members who are against this bill are for the boss firing anyone who would dare exercise their legal right to strike. Those Members who are against this bill are for workers in America losing their pensions and retirement. Those who are against this bill are for Americans losing their health care, for their children losing their health care, for their spouse losing their health care, simply because dad or mom, when all else was lost, when bargaining had finally come to an end, when as workers they had had it with the unfair labor practices of their employer, finally withheld their labor and went out on the picket line. They did not want to do it, they did it only as a last resort. But the question is should they then be fired?

The answer is, no, they should not be fired.

So this bill tries to level that field.

How would it be leveled? Because the law gives the employers the right to lock workers out, to deny them their salaries, to quit paying them their health care benefits, to jeopardize their retirement, to lock them out. And the law also says, and people have the right to strike and this bill would simply keep their job for them when that right is used.

□ 1440

The CHAIRMAN pro tempore (Mr. KLECZKA). All time for general debate for the Committee on Education and Labor has expired.

Pursuant to the rule, the gentleman from Minnesota [Mr. OBERSTAR] will be recognized for 15 minutes, and the gentleman from Pennsylvania [Mr. CLINGER] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MINETA], the chairman of the Committee on Public Works and Transportation.

Mr. MINETA. Mr. Chairman, I would like to commend the gentleman from Minnesota [Mr. OBERSTAR] for his leadership in bringing this legislation to the floor.

Mr. Chairman, I strongly support this important legislation to restore balance and fairness to the workplace. In recent years, the right to strike has been seriously undermined by employers who have refused to let striking workers return to their jobs after a strike has been settled and have filled their jobs with replacement workers.

When labor disputes arise, the only economic leverage workers possess is the right to strike. To permit the permanent replacement of striking workers is to effectively nullify workers' leverage and destroy the incentive employers have to negotiate labor disputes in good faith.

The Public Works and Transportation Committee has jurisdiction over the provisions in H.R. 5 amending the Railway Labor Act, which governs labor relations in the airline industry. The airline industry is a leading example of why we need H.R. 5 to restore balance in the workplace. In the airline industry, employers did not hire permanent replacements for strikers before 1981. In the 1980's airline industry management, which included the antiworker CEO's, Frank Lorenzo and Carl Icahn, escalated their tactics in labor disputes. Since 1981, there have been eight strikes in the airline industry and in five of these strikes permanent replacements were hired. The 5 strikes resulted in the hiring of more than 16,000 permanent replacements.

The hiring of these permanent replacements has had serious and long-lasting effects on the workers who exercised their right to strike. In the

Eastern Airlines strike for example, of the 6,000 flight attendants who went on strike, 4,500 had not been able to get their jobs back when the company shut down more than a year after the strike ended. In the strike by flight attendants at TWA, it took more than 3 years for the last striker to return to his or her job.

A balance of power in labor relations is key to our way of life. Our system of labor law encourages management and labor to reach agreements voluntarily through collective bargaining. To facilitate that process both management and labor are given economic weapons as leverage. Labor's main weapon is the right to strike if collective bargaining fails to produce agreement. Management's main weapon is the ability to impose its own wages and terms of employment if collective bargaining fails to produce agreement. Management did not, prior to 1981, rely to any significant extent on permanent replacement of strikers. That has not traditionally been part of the balance of power in labor relations in this country.

In the airline industry in particular, before 1981, there were no permanent replacements of strikers, and we did have a reasonable balance of power between labor and management. What this bill does is restore pre-1981 labor relations practices to the airline industry as well as other industries.

Opponents of this legislation argue that if it is passed, there will be frequent strikes in the airline industry. That argument has no basis in reality. Airline employees are well aware of the financial difficulties facing the industry. They know that a strike results in huge economic losses for an airline and that such losses could cause the demise of their company and the permanent loss of their jobs.

Strikes impose great emotional and economic hardship on workers and great strain on their families. Striking workers never recover the lost income and benefits they sustain during a strike. Regardless of whether there is the threat of permanent replacement, airline workers will always be eager to avoid strikes. Striking will continue to be a last resort. But if workers feel this desperate act is necessary, and if they are willing to incur the economic and emotional burdens that inevitably result, we should protect their right to strike without fear of permanent replacement.

The allegation that this legislation would lead to increased strikes is particularly without foundation in the airline and rail industries. Under the Railway Labor Act, strikes can only occur when the national mediation board releases the parties to self-help. Unions in these industries are not allowed to strike whenever they wish. Therefore, mediation, not striking is, and will continue to be, the focus of the labor disputes in these industries.

In my view, this legislation will act as a strong incentive to settle strikes when they do occur, since only after a strike is settled would striking employees have the right under the bill to return to their jobs.

In conclusion, I strongly support this bill to restore the balance between management and labor. We must protect the important right of airline employees to strike when collective bargaining has failed.

Mr. CLINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the collective bargaining process is alive and well. For over 50 years, labor and management have been able to negotiate wage and compensation packages that are both fair to the employee and helped keep our industries on a competitive footing.

This process has not been without significant pain. There have been cases where companies have chosen to disenfranchise segments of their work force, and in a couple of rare instances, entire work forces, in order to eliminate a union presence on their property, and that is flat out wrong.

Recent events in our economy are presumed to encourage employers to use replacement workers with increasing frequency. The LBO binge fostered by Wall Street during the 1980's left many companies saddled with huge debts, often forcing them to reduce their labor costs through whatever means available. In addition, we now find ourselves competing in a global economy, with huge dissimilarities in wage and material costs on a country-by-country basis.

It is my belief that these circumstances will no doubt result in serious and significant new labor/management negotiations here at home as our industries strive to compete against foreign-produced goods.

H.R. 5 is a misguided effort that is portrayed by its supporters as a means to even the playing field. To the contrary, this legislation will dramatically skew the collective bargaining process to the point that management and owners will struggle to survive, failures will increase, and jobs will permanently disappear.

H.R. 5, in my opinion, holds out a false promise of job security. If it is enacted, it will have the very opposite effect. It has the very real promise of throwing many employees out of work if labor costs escalate high enough to push the prices of goods and services beyond the reach of consumers. They will instead turn to foreign produced goods, and jobs will be lost.

Although I am strongly opposed to H.R. 5 in its present form, I find myself in some sympathy with its objectives because of the manner in which some in the air carrier industry have acquitted themselves during the last decade. There have been several well publicized instances where management has used replacement workers not as a bargaining weapon to negotiate contracts in good faith, but simply as a means to drive unions off of their property. Those efforts were seriously misguided, and in the end, the companies suffered dire financial harm.

Despite these rare episodes, the air carrier industry stands at the top of the American economy with a work force that is one of the most highly compensated. Indeed, their wages are the envy of many, yet air travel continues to thrive and I see no reason why employees should not share equally in the profits earned by their employers.

The prospect of H.R. 5 casts a pall on these achievements. I fear that the highly skilled work force needed to successfully operate an air carrier would use the new powers granted by this legislation to push ticket prices to a point that many people could no longer afford to travel. Jobs will be lost. The number of air carriers would shrink even further, resulting in a reduction in the purchase of goods and services from vendors, further damaging the economy.

Mr. Chairman, I regret the decision of our House leadership to promote H.R. 5 as a prolabor bill. In all sincerity, I believe this bill will harm industry, its employees, and ultimately, our economy.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan [Miss COLLINS].

Miss COLLINS of Michigan. Mr. Chairman, I rise in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act, and urge my colleagues to support this legislation that will restore equitable labor-management relationships and reaffirm our Nation's belief in the collective bargaining process.

At the end of the industrial revolution, both labor and management struck a delicate balance in their relations. The collective bargaining process established under the National Labor Relations Act and the Railway Labor Act, giving neither party an advantage in labor-management relations, set the standard in labor relations worldwide. Yet today, we have effectively undermined and abandoned the collective bargaining process and now see nations like Germany and Japan surpass us in industrial growth and competitiveness. As we have shifted the delicate negotiating balance from the center to the right, in direct support of business and management, we have damaged the American worker and our businesses. For example, our airline industry is a shell of its former self. During the 1980's alone, this industry was decimated by the Reagan dismissal of striking air traffic controllers, followed by five strikes where airlines permanently replaced striking

employees. This industry is arguably in worse shape today than it was before deregulation, because of the absurdity of relieving striking workers of their livelihoods.

The American people believe in the right to strike, because it is the last option available to the labor movement and our working people. Opponents of this legislation and the necessary balance between the labor movement and management at the bargaining table have tritely labeled this a Jurassic Park, urging that the end of equity in labor relations should follow the evolution of the dinosaur. When in fact, the real Jurassic Park here is the current labor imbalance.

Again, I urge my colleagues to support H.R. 5. Our working people deserve no less because they built our country, and they shall return us to our natural position of pre-imminence in the industrialized world. Let us demonstrate our commitment to them and reaffirm our belief in a fair collective bargaining process.

Mr. CLINGER. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. JOHNSON].

Mr. JOHNSON of Texas. Mr. Chairman, as the economy gasps for air under the blanket of Federal regulation, we are about to consider yet another mandate to the heavy burden endured by American business.

The union-sponsored striker replacement bill will make manufacturing jobs virtually nonexistent in the United States. Ironically, these are the very same jobs the labor unions claim to protect. Its not enough that businesses have to contend with the EPA, FDA, HHS, and RTC. This bill adds the AFL–CIO to this murky alphabet soup of Government intervention.

Mr. Chairman, with this bill, how can we expect American industry to compete in the global marketplace?

A "no" vote on striker replacement is an automatic economic stimulus plan for the Nation. A "no" vote is a vote for American business.

□ 1450

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, in response to those who have expressed concerns about business I would like to talk about business because does anyone think that hiring replacement workers does anything for business? It is a short-term gain and long-term loss. Is Eastern better off because they hired permanent replacement workers? Is Greyhound better off because they hired permanent replacement workers? Or many of the other plants that we know about? And the reason is this:

In a labor dispute, Mr. Chairman, collective bargaining is tough enough on the issues of wages, health benefits, craft jurisdictions. That is pretty hard. But then we get down to the knottiest one of all: "What do you do about the replacement workers that were hired on a permanent basis, and now you want to bring the union members back?" That is the one that sticks it every time.

So, in my personal observation, having seen two plants 50 miles from each other both go out at the same time in labor dispute, one for 9 months and one for 20 months, the short-term one went out and was back because they did not hire. Management did not hire permanent replacement workers. Management did hire permanent replacement workers in the Pro Tractor strike. Smart management does not get into this situation because they know permanent replacement workers are real losers.

Mr. CLINGER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. MICA], a member of the committee.

Mr. MICA. Mr. Chairman, let me say to my colleagues, you can call this the Cesar Chavez bill, you can call this the Tooth Fairy bill. I call this the job destruction bill.

This Congress is bound and determined to make America less competitive. This Congress has its mind made up to ship more jobs overseas. Last month our economy lost 65,000 manufacturing jobs. I urge my colleagues to ask themselves several questions before voting on this bill.

Will striker replacement make America more competitive? Will striker replacement encourage job creation? Will striker replacement encourage business development in the United States? Better yet, if you represent a heavily unionized State, will business and industry flock to your area with striker replacement? North Carolina has 5.2 percent of its work force unionized; New York has 29.2 percent of its work force belonging to unions. If you were to locate or expand a business or industry with striker replacement, in effect where would you invest?

Then what drives this Congress and its Members to enact a job destruction bill like striker replacement? With union membership only representing 11.5 percent of the private sector work force how can we even be considering such a job destruction piece of legislation? With over $41 million pouring into over 850 congressional campaigns in 1992, is that the reason? Maybe I should not have asked these questions.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. Mr. Chairman, I heard somebody say that the law is working well today. Has anybody bothered to take a look at the statistics? I mean a person working today is making less money than they made in 1980, and yet prices have doubled. And they have kids at home alone because there is no breadwinner. The mother is out working; everybody is out working. The kids are watching the idiot box, and they are learning the wrong things, and why should they want to fire strikers at this point? After all, they struck for wages, for benefits, for safety and health, and their families have suffered economic hardships. They negotiate, and then they settle, and then my colleagues do not want them to have their jobs back.

Mr. Chairman, it does not make sense. Even Japan and Germany do not do that to their own people, and, if my colleagues have not seen this situation in their district, I hope to God that they never do because it is not a pretty sight.

Mr. Chairman, I know it is not in the Republican philosophy, but I would hope that they would at least sometime during their career take a look at the American worker.

Mr. CLINGER. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS of Alabama. Mr. Chairman, the gentleman from Ohio [Mr. APPLEGATE] has mentioned Germany and Japan and the fact that our American workers must compete against Germany and Japan. In my district they not only compete against Germany and Japan, Mr. Chairman, but they compete against France and Italy, and let me tell my colleagues that the French, the Japanese, the Italians, and the Germans, they realize the cost of long strikes. They understand that the expense of a strike is factored into the cost of a product, and for that reason the Japanese, and the Germans, and the Italians, and the French, our competition, I say to the gentleman from Ohio, they limit the length of a strike. The Japanese and the Italians limit it to a matter of hours, instead of weeks or months.

The reason that I will be voting against the antistriker replacement bill is because I want our workers to have a chance in the open market, in the global market. I will be voting for Made in America, for American products, for American jobs, not to see those jobs go overseas, not to give our Japanese, German, French, and Italian competitors a leg up.

For that reason, Mr. Chairman, I want to urge all Members to vote against this antistriker bill and against giving the Japanese and the Germans an unfair advantage.

Mr. Chairman, there has also been a lot of talk this session about creating jobs. I am convinced that the key to the future of our country is the creation of more jobs and that the key to our prosperity and that of the American people lies in creating a strong economy and, therefore, more jobs in the private sector: Creating real jobs for real Americans. For that reason, I will be voting against the striker replacement bill.

If adopted, this striker replacement bill would certainly be bad news for the American

worker. The immediate impact of this bill would be an increase in strikes, certainly not something those of us who believe in creating more jobs would welcome. More strikes would lead to higher labor costs, higher unemployment, and a drop in the productivity of American industry. As the prices of American products go up, those products would become less competitive on the world market. American businesses would be left with only two options: Shutting down their businesses or moving those jobs overseas. In both cases, the losers again are the American workers.

One argument that proponents of this bill have tried to use in the case of striker replacement, and other issues, is the comparison with other countries. Organized labor and other supporters of the striker replacement bill would have us believe that the United States is alone in the world in permitting the use of replacement workers.

Well, what they don't tell you is there are several industrialized countries that allow employers to hire permanent replacement workers, including Australia, Hong Kong, Ireland, Norway, and the United Kingdom.

Another thing that they won't tell you is that strikes in countries like France, Italy, Germany, and Japan are severely limited. In fact, in Japan and Italy, strikes, by law, are only allowed to last a matter of hours, instead of weeks or months.

Our foreign competitors have realized that more strikes and longer strikes mean higher costs for their products and lower productivity for their workers. They know that higher costs and lower productivity mean that their products will be less competitive worldwide. That's why this bill is good news for our foreign competitors and bad news for American workers.

It would come as no surprise to those of us in this body that the combination of more strikes, higher labor costs, lower productivity, fewer exports, and more imports drive away American jobs. Our foreign competitors certainly know this. In today's global marketplace, American companies absolutely must control labor costs, or else go broke. For this reason, this bill makes no sense whatsoever.

Today, I will be voting for the concept of "made in America." I will be voting to keep American products competitive in the world market. I will be voting to encourage the creation of more jobs in America. I will be voting for the American worker and for American businesses.

At the same time, I will be voting against more strikes. I will be voting against higher costs for American products in the world market. I will be voting against giving our foreign competitors another advantage. I will be voting against fewer exports and more imports. I will be voting against creating jobs overseas at the expense of American jobs. For all of the above reasons, I will be voting against the striker replacement bill.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I rise in strong support of H.R. 5, the Workplace Fairness Act, which will, in essence, guarantee a worker's right to strike—a very basic American right that has been abrogated in recent years by such corporations as Continental and Eastern Airlines, TWA, Phelps Dodge, International Paper, and Greyhound, among others.

Mr. Chairman, the right to strike means nothing if, when a worker goes out on strike, that worker is fired and that worker's family becomes destitute. The right to strike in America means nothing if workers are too afraid to exercise that right and, sadly, that is often the case today.

The opponents of this legislation talk about the level playing field which exists today in terms of labor-management relations. And I say to them; "What world are you living in? How can you not see what has been going on in this country for the last 20 years?"

Mr. Chairman, 20 years ago the United States led the world in terms of the standard of living we provided our workers. Today, we are in 13th place and falling. The real wages of American production workers have fallen by 20 percent since 1973. That is not a level playing field—that's a decline in our standard of living.

From 1980 to 1992, executive salaries rose 511 percent, while workers' wages have not even kept pace with inflation. Business Week recently reported that the chief executive officers of major corporations in America now earn 157 times more than the average worker—157 times—the largest such gap in the industrialized world. That, my friends, is not a level playing field.

During the last 20 years, as corporations moved to Mexico and Asia in search of cheap labor, or underwent Wall Street engineered leverage buyouts, hundreds of thousands of American workers lost decent paying jobs. In my own State of Vermont, yesterday, St. Johnsbury Trucking Co. announced that it was closing down, with the loss of 450 decent paying transportation jobs. Some believe this tragedy took place because of a leverage buyout and the high interest rates the company paid for junk bonds. Investors get rich, and workers lose their jobs. That is not a level playing field.

Mr. Chairman, the 1980's were a time in which the rich grew richer and more powerful, while working people grew poorer and lost political and economic clout. The Workplace Fairness Act, by itself, will not turn our economy around. Much more needs to be done. But it is important because it will allow workers in America to stand up and fight for their rights and, if necessary, to go on strike in defense of those rights without fear of being fired.

Mr. Chairman, the Workplace Fairness Act must be supported and I urge my colleagues to do so.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, for more than a decade we have watched as the rights of American workers have been repeatedly weakened. Beginning in the early 1980's—the working men and women of this country have had years of hard-won protections stripped away.

Now we try, once again, to restore the most basic right of workers—their only real source of power in the collective bargaining process—the right to strike without fear of being permanently replaced. We all know that the right to strike is hollow without this protection. Workers who strike now must make the choice between standing up for their rights or keeping their job and their paycheck. That choice is no choice at all.

But this is not only an issue of the right to strike. At issue is the way this country views its workers and our future as an economic power. For years it was understood that a well trained, experienced, and loyal work force was essential to maintain quality and productivity. Those essential values took a beating in the vacuous 1980's, as workers were treated as simple mechanical parts—easily discarded, easily replaced.

That mentality has not only helped destroy the morale of the American workers, it has reduced the quality and competitiveness of American products.

Today's vote is a vote to restore the full right to strike, and to take a huge step toward a stronger, more productive work force.

I urge a resounding vote for this bill.

□ 1500

Mr. CLINGER. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, we have just heard some comments about international comparisons. The proponents of H.R. 5, who use international comparisons, also talk of the impressive cooperative relationship between labor and management.

They neglect, however, to note the differences in European government regulation of union activity. In Germany, for example, a strike is prohibited if such action would be deemed to be severe enough to grievously wound a company. In addition, a strike is immediately deemed illegal if picketers use intimidation as a tactic. Finally, striking workers in our European counterparts are absolutely ineligible for unemployment benefits.

Mr. Chairman, I wanted to make the House and other members of the committee aware of these differences.

Mr. OBERSTAR. Mr. Chairman, I yield 1½ minutes to the gentlewoman from New York [Ms. VELÁZQUEZ].

Ms. VELÁZQUEZ. Mr. Chairman, I rise in strong support of H.R. 5, Cesar Chavez Workplace Fairness Act.

Opponents claim that passage of this bill will encourage strikes and give labor unions too much power. They are dead wrong. Right now the balance of

power is tilted towards the side of the employer, who uses the power of striker replacement as a tool for intimidation. Employers such as Frank Lorenzo and Greyhound view collective bargaining not as a means of negotiating current wages and working conditions, but as a means of ridding themselves of their unionized workers.

Mr. Chairman, last week I met with a group of women workers from the Diamond Walnut Co., represented by the International Brotherhood of Teamsters, who have been on strike since 1991. With tear-drenched faces, they told of the injustices committed by their employer.

The group was composed of single mothers, grandmothers, and great-grandmothers who have devoted most of their lives to Diamond Walnut. During the company's years of financial difficulty, many took a 40-percent wage cut to help the company get back on its feet. The company recovered with $171 million in net profits in 1991.

After years of sacrificing for their employer, it was time for these women to get something back. But did Diamond Walnut respect their sacrifice? No. The company cut their health benefits and offered only a 10 cent increase on their wages, refusing to pay them more than $6 an hour. Finally, when the employees demanded respect by going on strike, they were replaced.

This is only one example of how companies across the United States have taken advantage of the law. We can not allow employers to bully their workers out of their rights to form unions and bargain collectively. Mr. Chairman, I urge my colleagues to vote for H.R. 5 and restore the balance of power between our workers and their employers.

Mr. OBERSTAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. BORSKI].

Mr. BORSKI. Mr. Chairman, I rise in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act.

This is a measure that I wholeheartedly endorsed in the last Congress, and one that I am convinced that President Clinton, who pledged to fight for the working men and women of this country, will be proud to sign into law.

H.R. 5 is necessary to restore a fair balance between labor and management and to improve the living standards of American workers.

Since 1935, the National Labor Relations Act [NLRA] has protected the rights of workers to join unions and engage in collective bargaining. However, this protection does not extend to workers who go out on strike. A strike is the one circumstance in which an employer can legally replace a worker who is engaging in a union activity.

In fact, ever since Ronald Reagan fired 11,400 striking air traffic controllers in 1981, employers have increasingly used this legal loophole to crush strikes.

Mr. Chairman, nothing is more fundamental to the collective-bargaining process than the right to strike. But, as thousands of workers lose their jobs to permanent replacements, confidence in that right is rapidly eroding.

Obviously, we need to restore workers confidence in this essential element of the collective-bargaining system. And we have an opportunity to do that today by approving H.R. 5.

H.R. 5 would prohibit an employer from hiring permanent replacement workers during labor disputes. Employers would still be allowed to hire temporary replacements during a lockout or strike, but workers participating in the strike would be entitled to their jobs at the end of the dispute.

Mr. Chairman, this legislation is a matter of basic fairness and equity. The working men and women of this country deserve no less.

Mr. OBERSTAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. THORNTON] to engage in a colloquy with me.

Mr. THORNTON. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I would like to inquire of the bill's managers, what impact would H.R. 5 have on State right-to-work laws?

Mr. OBERSTAR. Mr. Chairman, if the gentleman will yield, I thank the gentleman for raising this question. Unfortunately, a number of groups opposed to H.R. 5, have been spreading incorrect information on this issue. The plain fact is that H.R. 5 would not have any impact whatsoever on right-to-work statutes.

As you know, H.R. 5 simply amends section 8(a) of the National Labor Relations Act to make it an unfair labor practice for an employer to permanently replace striking workers. In contrast, State right-to-work laws are specifically permitted by section 14(b) of the NLRA. The legislation we are considering today does not alter in any respect section 14(b). Thus, it is readily apparent that H.R. 5 in no way changes or interferes with the ability of a State to have a so-called right-to-work statute. In those States which have such statutes, employers and unions will still be prohibited from entering into agreements requiring membership in a labor organization as a condition of employment.

Mr. THORNTON. Mr. Chairman, I thank the gentleman for clarifying this point.

Mr. CLINGER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I yield myself this time to discuss the argument that has been made in committee and elsewhere, a fallacy, really, that permanent replacement is the same as being fired.

Under current law strikers are not really fired nor even permanently replaced. At most, they are usually only temporarily replaced. When the strike is over they have a preferential right to be rehired as vacancies occur with seniority and benefits.

In the airline industry, which is what we are dealing with in this segment, almost all strikers who were permanently replaced did eventually get their job back. There was an exception, and that involved situations where the company went out of business, so nobody had a job, not even the replacements.

Under current law, if management is found to have engaged in unfair labor practices, the striker has an immediate right to get his job back and displace the permanent replacement.

Mr. Chairman, I ask unanimous consent that the remainder of my time be yielded to the minority on the Committee on Energy and Commerce.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, hiring replacement workers is not a new phenomenon in the history of labor management relations. In fact, it was what characterized management during the previous 200 years of the Industrial Revolution, prior to enactment of the Wagner Act in 1935, that gave labor the right to collectively bargain and to withhold their service, that is, to strike, if that becomes necessary.

The firing of striking employees is a relatively recent phenomenon since the Wagner Act, taking their cue from President Reagan in 1981, who fired striking air traffic controllers. If the Chief Executive Officer of the United States could fire employees and permanently replace them, so could the chief executive officers of every corporation in America, and they began to do so, particularly in the airline industry. With all due respect for all the other industries affected by this legislation, airlines is where we had the greatest number, nearly 17,000 workers, replaced by management in the course of a strike.

There are apparently those who oppose this legislation who think that this is kind of a license for organized labor to go out and immediately challenge management and go out on strike.

Mr. Chairman, I grew up in a union family, in the Steelworker Union in the iron ore country of northern Minnesota, and a strike is no fun.

As a youngster I remember carrying a lunch bucket to my dad out on the picket line, coming home on a Friday evening, and saying to my father and mother, "Soup again?" And the answer was, "And you're darn lucky we have got soup. Just pray that we have some next week."

We never came out ahead economically in a strike. We did not have strike funds or benefits of any kind. You had to rely on your own resources.

But there were some principles at stake. The workers were willing to go out on strike if management would not negotiate collectively, bargain with them, and come to a reasonable agreement.

But in the course of that process, if you have the right to withhold your services, you should not be fired for doing so. You could be fired for a lot of other things, for poor workmanship, for fraud and abuse on the job. Under our civil rights statutes you can be fired for discrimination. There are lots of things that can happen to you. But you should not be fired simply because you exercise your right to withhold your services in the course of labor-management negotiations.

In the airline industry we saw the FAA take this issue one step further. Not only were the air traffic controllers fired, but they were prevented from any other kind of employment with the Federal Government. And not only with the Federal Government, but from working for a private firm that sought to contract with the FAA. If an air traffic controller was employed, either the contractor would not be allowed to continue, or that worker had to be let go.

□ 1510

That is the kind of vindictiveness of carrying this philosophy to its extreme.

This legislation will simply restore the fairness, the balance in labor-management negotiations on economic issues that the Wagner Act intended should prevail when it set forth the Magna Carta of labor, the right to collectively bargain, to withhold services, if need be. It is a matter of workplace fairness and decency.

I urge its enactment.

The CHAIRMAN. The time of the gentleman has expired.

Under the rule, the distinguished gentleman from Washington [Mr. SWIFT] will be recognized for 15 minutes, and the distinguished gentleman from Ohio [Mr. OXLEY] will be recognized for 19 minutes. The gentleman from Ohio [Mr. OXLEY] was yielded an additional 4 minutes.

The Chair recognizes the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am a Member of Congress who very rarely says that we deal with simple issues here. In fact, I think a majority of the time we deal with very complex things, often very highly technical things. The decisions are difficult, and it is sometimes hard to determine the proper course of action to take.

But to my mind, this issue is simple—you are either for real collective bargaining or you are not.

I am a free enterpriser. There are many things wrong with it, but, like the democratic system itself, the free enterprise system seems to be better than all of the other systems that have been devised so far. It has always seemed to me that the concept of organized labor is simply the way in which the individual worker can be a viable part of the free enterprise system.

Workers must have a piece of the pie in this system somehow or other. They can beg for it under a paternalistic system or you can devise the means, as we have in this country and in many, many nations around the world, where workers can take care of themselves by banding together to negotiate with their employers.

When you stop and think about it, what you really have between labor and management is a partnership within the free enterprise system. Each partner needs the other.

This partnership is a very important framework, but there must be a method by which the partners can resolve differences. That mechanism is called collective bargaining, and it requires a balance between the two partners.

For the last 40 years, that balance worked in practice. This has been 40 years, I might add, of the greatest prosperity in the history of this country and 40 years that no fair-minded person would suggest was marked primarily by labor strife. Only in the last dozen years, with the assertion by some in management of a dormant technique, the permanent replacement of striking workers, has that balance been disturbed. It is unacceptable to permit this imbalance to continue.

That is the reason I suggest that this decision is simple: should labor share in our economic system or not? That is the question. I would suggest that the answer to that question is self-evident.

Mr. Chairman, this is one of the most important pieces of labor legislation that will come before the House this Congress. H.R. 5, Cesar Chavez Workplace Fairness Act, will rectify a serious imbalance that currently exists in the collective bargaining process. By prohibiting the permanent replacement of striking workers, H.R. 5 will protect the rights of labor union members to engage in legal strikes.

I would like to commend Chairmen FORD and WILLIAMS of Education and Labor, Chairmen MINETA and OBERSTAR of Public Works and Transportation, and my chairman, Mr. DINGELL of Energy and Commerce, for the leadership they have shown in moving H.R. 5 rapidly through the committee process. Also, I wish to thank Messrs. MOORHEAD, OXLEY, and the other Republican members of the Committee on Energy and Commerce for their cooperation in the expeditious processing of this bill.

H.R. 5 amends both the National Labor Relations Act and the Railway Labor Act to prohibit the permanent replacement of union workers involved in legal economic strikes.

The Committee on Energy and Commerce has jurisdiction solely over section 3 of the bill, which amends the Railway Labor Act. Permanent replacement workers are seldom used in railroad labor-management disputes because the extensive mediation process provided for in the Railway Labor Act is designed to settle disputes without either party resorting to work stoppages. Just because the weapon is seldom used, however, does not reduce its potentially devastating impact on the right to strike and, even, on the negotiation process itself.

If employees can be dismissed for exercising their legal right to strike, then that right becomes meaningless. We must ensure that our railroad workers, who have already given up their right to strike over minor disputes, are protected from the use, or threatened use, of permanent replacements, and are thus, if necessary, able to exercise their legal right to strike.

The Railway Labor Act also applies to the airline industry, and it is here that the issue of permanent replacement workers becomes more significant. Noteworthy examples are the 1985 Continental and 1989 Eastern Airlines strikes, in which Frank Lorenzo permanently replaced pilots, flight attendants, and machinists who exercised their legal right to strike.

Another sobering aspect of the use of permanent replacement workers occurs in the union certification process. Currently an employer can simply hire loyal permanent replacements, wait until 12 months have passed and the strikers are no longer allowed to vote in union decertification elections, and apply for such an election. This kind of union-busting tactic must be stopped.

The record developed in the various committees over the last three Congresses clearly shows the serious imbalance that currently exists in the collective bargaining process. By protecting the rights of labor union members to strike, and ensuring that permanent replacement workers cannot be used as a union-busting tool, H.R. 5 will restore fairness to the collective bargaining process.

I urge my colleagues' support for this important legislation. Congress must act now to restore balance to the collective bargaining process and ensure that America's workers, including its railroad workers, retain the ability to utilize their legal right to strike without needlessly fearing that they will have their jobs ruthlessly taken from them.

Mr. Chairman, I reserve the balance of my time.

Mr. DINGELL Mr. Chairman, I rise to indicate my strong support for this legislation.

I commend my good friend, the distinguished chairman of the Committee on Education and Labor, for his untiring efforts in bringing this bill to the floor today. I also wish to commend Mr. WILLIAMS, the Chairman of

the Subcommittee on Labor-Management Relations, for his leadership on this important legislation.

The Committee on Energy and Commerce, pursuant to its jurisdiction of railroads and rail labor, has duly considered and reported H.R. 5. Section 3 of the bill amends the Railways Labor Act to prohibit the hiring of permanent replacement workers for striking railroad employees. In hearings before our Subcommittee on Transportation and Hazardous Materials, both in the last Congress and earlier this year, the reasons for including rail workers in this legislation were explained and justified.

While there have been instances where permanent replacement workers have been hired on railroads, it is true that this has not been a widely documented practice. This is no doubt due in part to the training and expertise required to perform such jobs and, consequently, the expense and time it would take to qualify individuals for such employment. However, evidence indicates that the threat of using permanent replacement workers in the rail industry has increased during the past decade. Since 1980 over 250 new short line and regional railroads have been created. These new railroads often attempt to rely on smaller or cheaper workforces to conduct operations.

As one witness testified before our subcommittee earlier this year: "Rail labor's fear is that this new generation of railroad management, which, in many instances, seems to believe that they must rid themselves of unions to achieve their economic goals, will almost routinely seek to use the permanent replacement doctrine." Section 3 of the bill would prevent management abuses by preventing the hiring of permanent replacement workers in lawful railroad strikes and would restore the delicate balance between management and labor envisioned under the Railway Labor Act.

In closing, Mr. Chairman, I wish to commend the distinguished chairman of our Subcommittee on Transportation and Hazardous Materials, Mr. SWIFT, for his diligence and leadership in pursuing this matter. As well, I appreciate the excellent cooperation we received from our Republican Members, and particularly Mr. MOORHEAD and Mr. OXLEY, in allowing this legislation to be considered in the Committee. I also would note that the three committees of jurisdiction have worked closely and cooperatively together to bring this matter to the House today.

I believe this legislation is necessary to maintain an appropriate balance between labor and management and I urge my colleagues to support the bill.

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume.

The American collective bargain system is perhaps the most successful and stable in the world. We have a system where the rights of our workers to organize and bargain over bread-and-butter issues is protected by Federal law. But it is also a system that recognizes the natural divergence of interests between labor and management. As a result, our labor was guarantee labor the right to strike over economic issues, and also protect management's right to attempt continued operations during an economic strike. Exercising either option involves hardship to both sides, so we have a system of balanced mutual incentives that helps keep strikes to a minimum, while maximizing voluntary contract settlements.

This has been the law of the land since the Supreme Court's MacKay Radio decision in 1938. H.R. 5 would overturn this settled principle of American labor law by depriving management of any option to hire non-temporary employees during a strike.

To justify such a drastic change in the balance of economic bargaining power, you would expect a record of real problems. In fact, just the opposite is true: The General Accounting Office found in its 1991 study that only 4 percent of strikers were actually replaced by permanent employees. That's the record that is supposed to support section 1 of this bill, amending the National Labor Relations Act.

As to section 2, the Railway Labor Act, the record is even flimsier: There has not been a case of permanent replacement of strikers by a major railroad in the last 30 years. So why are we here debating H.R. 5?

As best I can tell, the answer is: Somebody does want to produce a real imbalance in our bargaining system. American businesses recognize this proposal for what it is—the creation of a massively and permanently uneven playing-field for labor negotiations. And when I say "American Business," I am specifically including the firms located in my district, who have been unanimous in their opposition to H.R. 5. No matter what industry is involved, the verdict is the same: We have a sound, balanced system now, and H.R. 5 would only mess it up by encouraging strikes and the discouraging serious bargaining that leads to voluntary settlements.

In my view, Mr. Chairman, we should stay with a winner—the present successful American collective bargaining system. There is no factual record to support the drastic changes mandated by H.R. 5. If we do enact such a bill, we are merely endangering more American jobs and the competitive position of our American industries. That is why I will vote against H.R. 5.

Mr. Chairman, I reserve the balance of my time.

Mr. SWIFT. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MANTON], a member of the committee.

Mr. MANTON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act. This legislation has been appropriately dedicated to the heroic leader and defender of our Nation's migrant workforce. America lost a great labor leader and a true patriot with the death of Cesar Chavez.

Mr. Chairman, with the passage of the Railway Labor Act in 1928 and the National Labor Relations Act in 1935, the Government sanctioned the right of workers to bargain collectively.

The acts gave both management and labor equal leverage in the process. Workers were guaranteed the right to withhold their labor without losing their jobs if negotiations for better wages and working conditions were unsuccessful. Management could continue operations during a strike with replacement workers or simply wait out the strikers drawing on capital reserves.

This balance of power has worked well for many decades. Collective bargaining agreements have steadily improved the wages and working conditions of American workers. The balance also fostered a more cooperative atmosphere between labor and management which led to increased productivity and international competitiveness.

But in the 1980's, some businesses began to employ the insidious practice of hiring permanent replacement workers during a strike. And while Federal law prohibits a company from firing a striking worker, the distinction between being permanently replaced or fired is nonexistent.

This troubling development in labor-management relations has effectively denied workers the only real leverage they have in the collective bargaining process: the right to withhold their labor without jeopardizing their employment.

Despite the rhetorical attacks and misinformation campaign being waged against H.R. 5, this legislation is a very simple and straightforward attempt to restore the historic balance in labor-management relations.

H.R. 5 would prohibit employers from hiring permanent replacements for workers who are striking for better wages, better benefits or improved working conditions.

Mr. Chairman, I urge my colleagues to join me in voting for this important legislation. The right to strike is a fundamental labor right, and American workers deserve no less.

□ 1520

Mr. OXLEY. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. MOORHEAD], the senior member of the Committee on Energy and Commerce.

Mr. MOORHEAD. Mr. Chairman, any successful system of collective bargaining involves an economic tug-of-war between labor and management. That is inevitable and natural in any healthy economy. Here in the United States, we have been especially fortunate to have a system of Federal labor laws that set fair and balanced ground rules for this bargaining contest between labor and management.

It has been settled law since the Supreme Court's 1938 MacKay Radio decision that, just as labor possesses the

right to strike a firm over economic issues, so management has a correlative option of hiring non-temporary workers in an attempt to keep operating during such an economic strike.

This system of balanced and mutually deterring economic weapons has worked successfully for over five decades. The historical record bears this out. When the General Accounting Office conducted its study of the striker-replacement issue in 1991, for example, it found that only 4 percent of strikers in a given year were actually replaced by nontemporary employees. That is for the economy as a whole—where most firms are governed by the National Labor Relations Act. As for the Railway Labor Act—which would be amended by section 2 of H.R. 5—there has been not a single case of permanent replacement of strikers on a major railroad since 1963.

Is this the kind of record that justifies a drastic and radical change in our collective bargaining system? Certainly not. We also need to remember that if we restructure our labor laws so as to skew the incentives in favor of strikes and against voluntary settlements, we are endangering more American jobs, not fewer. This was vividly illustrated by the so-called success of a protracted newspaper strike in Los Angeles some years ago. It was a labor victory in a sense, because the target firm went out of business. But what did that achieve? It destroyed hundreds of jobs, and even more significant, it deprived Los Angeles of its only large prolabor newspaper voice. The moral of the story is clear: There must be a balance in our collective bargaining system, so that both labor and management view strikes as an option of absolute last resort.

H.R. 5 does just the opposite: It proposes to remove management's major counter-weapon to the economic strike. This means more strikes, fewer voluntary settlements, and more endangered American jobs. That is bad policy for American workers, for American businesses, and for the American economy. I am therefore opposed to H.R. 5, and will so vote.

Mr. SWIFT. Mr. Chairman, I yield 1 minute to the gentlewoman from Illinois [Mrs. COLLINS], a member of the committee.

Mrs. COLLINS of Illinois. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 5, the Cesar Chavez Workplace Fairness Act. It is important legislation which will finally set us back on the road to parity between workers and management.

For more than a decade we have been sliding down a course of unfairness which has given labor a decreased ability to bargain for its members since decisions by companies to permanently replace workers who are striking for economic reasons have been allowed to stand. Clearly unions have been stymied in their attempts to negotiate fair wages and workplace fairness because the only real tool they possess, which is the strike, has been made ineffective by the ability of companies to declare null and void their threat of the strike. Time and again during the Reagan-Bush years we have watched companies ignore the demands of their unions. Eastern Airlines, TWA, International Paper, the Chicago Tribune, Greyhound, and other major corporations have all permanently replaced their experienced workers when there was disagreement over workplace fairness and economic issues. President Reagan established the practice of replacing striking workers when he fired the air traffic controllers in 1981. Many Eastern and TWA mechanics and workers who live in Illinois' Seventh Congressional District, and who were replaced when they struck, are still unemployed. So are Greyhound busdrivers who live in my district who are now driving taxicabs. Other former wage earners and their families are merely subsisting on unemployment compensation. For all of those who have been permanently replaced, their quality of life has diminished and their standard of living has plummeted.

What makes this particularly mean-spirited today is that once strikers are replaced they have no place to go. We all know that job growth in this economy is slow at best. Therefore, they are released to be unemployed in a very bad job market.

Of course some on the other side would claim that we alter the balance between labor and management by this act. They have it precisely wrong. The balance between the two sides is already off. It favors management which in many cases is able to break unions by being uncompromising and forcing them into a strike. This act merely makes level a lopsided system which currently favors management.

Mr. Chairman, we in the Congress have no business settling labor disputes and this Member, for one, hopes we stay out of them; but in order for the outcomes of these disagreements to be fair and just each side must be able to bring the other to the bargaining table. Without the ability to strike the efforts of labor are effectively canceled out. I support H.R. 5 and urge my colleagues to join me in this important attempt to correct the current imbalance in labor-management relations.

The CHAIRMAN. The gentleman from Ohio [Mr. OXLEY] has 13 minutes remaining, and the gentleman from Washington [Mr. SWIFT] has 7 minutes remaining.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. MANZULLO].

Mr. MANZULLO. Mr. Chairman, this issue of striker replacement is not a union issue, it is not a management issue, it is an issue which is the sore result of years and years and years of bickering between management and labor. That is why, when the freshman Republican met with G. Edwards Deming, he said the present system of resolving disputes in this country results in both parties losing and the consumer being caught in between. This is a business issue, and this is an issue about jobs. It is not a union issue. It is not a management issue.

Just as our economy is struggling to right itself, H.R. 5 would deal a brutal blow. Passage of this legislation would inevitably lead to more strikes, not more jobs or higher productivity. I think it is important to realize that it is not just Republicans that are opposed to this, it is not just a matter belonging to the conservative persuasion, but listen to what some of the newspapers in this country have said about it themselves.

I quote from the Washington Post in its April 27 editorial. This is the same Washington Post which has aligned itself with nearly every labor issue that has come before this assembly in the past 20 or 30 years. Here is the quote.

> Striker replacement is ill-advised legislation whose likely long-term effect would be to hurt the U.S. economy far more than it would help. Bill Clinton has promised organized labor to sign the bill if it is sent to him. It's a promise we wish he hadn't made, and hope he does not get the chance to keep.

I would urge my colleagues to vote against this legislation.

□ 1530

Mr. SWIFT. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, this bill is good for this country. It will: Restore the balance to labor-management relations—workers should not have to risk losing their jobs every time they engage in a legal strike;

Stem management's increasing use of the replacement of striking workers—over the past 10 years a series of strikes occurred during which strikers were replaced, for example, Continental and Eastern Airlines, TWA, Phelps Dodge, International Paper, and Greyhound;

Equally protect all workers—it does not discriminate against nonunion employees. It ensures that all workers have the right to decide for themselves;

Facilitate the work of the Commission on the future of worker management relations—this bill will level the field of labor-management relations making a more productive dialog possible; and

Improve U.S. competitiveness—creating a stable, cooperative relationship between business and labor will improve the United States' ability to deal with trading partners who have similar laws to H.R. 5.

This bill will not: Encourage strikes—the strike is the weapon of

last resort, workers do not want to strike and this bill will not increase the propensity for workers to walk off the job; or require employers to rehire violent workers—it only applies to workers who engage in legal strikes.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I rise in strong opposition to this legislation which will put the Federal Government squarely in support of unions in disputes over pay and benefits.

Let us face it—this bill is not about fairness, it is about rigging the rules in unions favor.

H.R. 5 removes the risk factor for unions considering a strike over economic issues.

Under current law there is risk on both sides of a labor dispute.

Employers risk disruption of their business if workers go on strike; workers considering a strike must weigh the risk that the employer might decide to hire permanent replacements.

Under H.R. 5 strikes become virtually risk-free for unionized workers as the Government steps in to foreclose the employer's option to hire permanent replacements to keep the business running.

Current law has worked for over 55 years. Let us keep the law balanced so that it favors neither business nor labor. Tipping the scales in favor of unions, as this bill does, will increase the number of strikes and hurt our economy. We should reject the unions bid to put the Federal Government in their corner.

Mr. SWIFT. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I rise in support of H.R. 5, the Cesar Chavez workplace fairness bill. With this legislation we honor a great American leader who stood up for the most disadvantaged workers in this country—farmworkers. The struggle of the farmworkers union symbolizes every worker's struggle for dignity and fairness.

During the past decade, employers have increasingly resorted to taking advantage of a loophole in our labor laws to hire or threaten to hire permanent replacements. In many cases, employers have used this devastating tactic to force workers to accept cuts in wages, health care, and other benefits. A survey by the General Accounting Office found that employers raised this threat in one-third of all collective-bargaining negotiations.

As you know, no worker wants to strike—it is used only when all other options have been exhausted. And, if workers are forced to strike, they are legally helpless to do anything but look on as they lose their jobs. Once an employer has hired permanent replacements, the employer has little incentive to explore any compromise which might end the strike.

Contrary to the arguments advanced by opponents of H.R. 5, this legislation will not tilt the balance in labor relations unfairly toward workers. Under H.R. 5, workers will still lose their paychecks if they go out on strike.

I believe H.R. 5, will restore fairness to our collective-bargaining system intended by our national labor policy. I, therefore, urge my colleagues to join me in voting for this legislation.

Mr. OXLEY. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. GOODLATTE].

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman from Ohio for yielding time to me and I rise in opposition to H.R. 5, the striker enhancement bill, and urge my colleagues to vote against this bill which is going to be very damaging to our economy, and which is clearly designed to set back labor-management relations in this country by more than 50 years.

Imagine if you were one of the 85 percent of American workers who do not belong to a union, most of whom do not want to belong to a union, but if this bill passes will be denied the right to fairly compete for job opportunities. Imagine the effect on our economy when this kind of power brings it to a grinding halt.

I am not opposed to unions competing for members in an open, fair marketplace. But let us not let the Government guarantee them more members by destroying our balanced bargaining system.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I would like to again remind those who are speaking, who do not appear to understand what the law is all about that is presently on the books that there are all sorts of protections there and available for a striker.

This has nothing to do also with air traffic controller strikes. I hear Members getting up saying that it has something to do with that strike. Even the Secretary of Labor, when he came before our committee, made it very clear that this has positively nothing to do with that, that that was an illegal strike and has nothing to do with the legislation before us.

But let me talk just very briefly about the protections that are presently in the law which people do not seem to understand.

Statutory protections are the fact that economic strikers remain statutory employees eligible for recall until they obtain regular and substantially equivalent employment, and they maintain eligibility to vote in union elections for 12 months. Employers are prohibited from engaging in surface bargaining to instigate a strike so nonunion replacement workers can be hired. Likewise, employers may not grant additional benefits to either temporary or permanent replacements, and they may not use this opportunity to try to bring about a nonunion work force.

All these protections are in the law. All have worked very, very well for 50-some years.

The one problem, as I stated before, which we do not correct in this legislation, and is the only correction that is really needed, is to get NLRB to make their decisions much more quickly than they make them. We have heard the bus lines mentioned on several occasions. That should not have happened. If NLRB would have done their job promptly, we would not have been waiting 4 years. So that is the only thing that really needs fixing in the legislation to even the balance. But we are not touching that in this legislation.

Mr. SWIFT. Mr. Chairman, I yield 1 minute to the gentlewoman from the District of Columbia [Ms. NORTON].

Ms. NORTON. Mr. Chairman, for more than 25 years organized working people have been cheated out of their most elementary rights by anachronisms in our labor laws.

The last time a Democrat was in the White House, a Democratic President and a Democratic Congress were unable to correct the most obvious abuses with labor law reform. Permanent replacements, however, strike bluntly at the right to strike itself, and thus should receive bipartisan support.

□ 1540

Permanent replacements are rarely used because they are so disruptive and counterproductive. However, the very thought of being replaced in an economy that has been declining for decades has gravely restricted much more than the right to strike.

Permanent replacements intimidate legitimate demands at the bargaining table today. If we sanction permanently replacing people who exercise their legal right to strike, we cut a large chunk out of free trade unionism itself.

Let us do the opposite today and support the right of working people to bargain and to strike.

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in summing up, let me just say that I had a personal experience with this situation in my own congressional district where a very bitter strike had taken place that lasted for quite some time, several months. Indeed, there was even a minor amount of violence involved.

Having talked after the settlement with the union leaders as well as management, it became clear that the threat, not the implementation, but actually the threat of hiring permanent replacement workers was essen-

tially the fulcrum that brought this entire episode to a close, and it told me that the law that we have been following for 55 years and the interpretation by the Supreme Court is such that it does provide a very viable balance between labor's legitimate right to withhold its labor and management's legitimate right to keep the operation running, not only to protect the business, but also to protect the suppliers and the customers that so many times depend on that particular facility. So this is, indeed, a very balanced law that we have on the books today, and it is clear to me, at least based on experience, that H.R. 5 would tilt that balance to the point that it would be the proverbial unlevel playing field.

So I think that H.R. 5 is bad legislation. It is certainly not in the precedents of fair labor law in this country, and I would urge this House to reject H.R. 5.

Mr. Chairman, I yield back the balance of my time.

Mr. SWIFT. Mr. Chairman, I yield the balance of our time to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, I rise today in strong support of this legislation.

I want to start by thanking Chairman FORD, Chairman CLAY, and Chairmen WILLIAMS, DINGELL, and MINETA for their efforts over a long, long period of time at crafting this very important piece of legislation and bringing the Workplace Fairness Act to us today.

Today's vote is, in my view, a statement about the way we treat people and about our fundamental values in this country. It is a test of whether we respect the value of each American worker.

I believe preserving the rights of labor enhances productivity and wealth creation. I think a "yes" vote on this bill today indicates an understanding that people and profits are not mutually exclusive.

The issue before us is very, very simple: Where workers have gathered together and have had their union recognized, management should be prohibited from hiring permanent replacements. Employers should not be able to undermine this basic right of workers.

For 50 years the spirit of the National Labor Relations Act was honored until the management team of Reagan and Bush sent the country a clear message: The way to profits is by getting rid of unions, breaking contracts, raiding pensions, and dissolving health care plans.

Make no mistake, this is not an esoteric labor issue. Today's vote touches American workers in real terms. With increasing regularity, employers in America have used the threat of permanent replacement to exact concessions from their workers. The General Accounting Office found that this threat is used in one-third of all collective bargaining negotiations.

Our competitors understand this basic issue. From Mexico to Europe, countries across the globe provide this basic protection.

This bill is really about what we want this country to be and what our most important goal is. I think the most important goal of our country is to have a high standard of living for all of our people, and we only enhance that standard of living by protecting this basic right of workers to be able to organize, to be able to collectively bargain, and, yes, even to take it to a strike, but to know that at the end of that strike and the resolution of that contract they cannot be permanently replaced.

It is the right thing to do for our people. It is the right thing to do for our standard of living.

I urge Members to support this legislation.

Mr. EMERSON. Mr. Chairman, since the Mackay decision in 1938, American industries have been fortunate to experience dramatic economic growth. This has been good for both employers and employees because the level of productivity and the standard of living has greatly increased for the American people.

This legislation would take away the right of employers to hire permanent replacements for workers who strike over economic issues. While this mandate may serve the narrow interests of labor union leaders by enabling them to effectively shut down a business until they can force acceptance of their bargaining demands, it is certainly not in the best interests of the majority of the employees who want and need their company to survive and prosper.

The Government's participation in labor-management relations should be strictly neutral. Unions should be free to strike, companies free to hire workers, and individuals free to work. Nothing could be as elementary as that. This striker bill would put the Government in a bind by creating situations in which the Government will pick favorites or choose sides in what should be a private employer/employee dispute.

A bill such as H.R. 5 will only disturb the balanced playing field by giving an unequal advantage to unions. The balance, the equilibrium would be totally abolished—with companies, the economic entities, at the mercy of unions. There would be no level playing field.

The bottom line is that America needs jobs, and a major change in the lay of the playing field that this bill proposes is not the answer. The Government needs to maintain the foundation of this country's system of collective bargaining: the balance of rights that now encourages both sides of labor disputes to avoid long and drawn-out confrontations.

I will vote against passage of H.R. 5 and in favor of keeping a half century of labor law in place, law that maintains a balance and doesn't tilt toward one side or the other.

Mr. HUGHES. Mr. Chairman, there are very few issues as contentious as those which pit labor against management. The differences are generally so great that it is difficult to find a middle ground that is deemed fair or is acceptable to both sides. That is certainly the case with H.R. 5, the Cesar Chavez Workplace Fairness Act which we consider today.

Like many of my colleagues, I have considered both sides of the issue of striker replacement. I believe the best solution is one which preserves a fair balance between labor and management by respecting both the legitimate right of workers to strike for an improved standard of living and the need of businesses to continue operations and remain viable during prolonged work stoppages. Only under these circumstances can effective collective bargaining occur.

Ever since President Reagan fired the air traffic controllers in 1981 and replaced them with permanent workers, however, there has been much concern that the right to strike has been undermined, and that the level playing field has been tilted in favor of management. The subsequent strikes at Eastern Airlines, Continental, TWA, Philps Dodge, and Greyhound, in which permanent replacements were hired, provide some evidence to support that concern. Those strikes cost thousands of workers their jobs for no other reason than exercising their legitimate right to strike.

The business community argues that H.R. 5 will result in a cascade of strikes and America losing her ability to compete in the global economy. The strength of our Nation's economy and our ability to retain a competitive edge in the global marketplace is of paramount concern to me as well.

Yet, I don't believe that American workers take lightly the decision to go out on strike, but instead view a strike as a tactic of last resort, to be avoided if at all possible. To workers, a strike means no paycheck which undoubtedly brings about personal and family hardship.

Additionally, guaranteed job reinstatement has not worked to the detriment of our global competitors. Japan and Germany, both powerhouses in the world market, offer job protection to workers which result in a stable nonadversarial relationship between employers and employees. The option of permanently replacing striking workers, that has been exercised in recent years, undermines the kind of cooperative and stable labor-management relations that is essential to economic success.

It really makes no difference if a worker is fired or permanently replaced. They are still out of a job. Although there are no easy solutions to labor-management disputes, prohibiting the permanent replacement of workers is calculated to restore integrity to the collective bargaining process and allow this mechanism to work. We must monitor the law closely to insure that it does.

I urge my colleagues to support this bill.

Mr. KOLBE. Mr. Chairman, H.R. 5 is called the Cesar Chavez Workplace Fairness Act. Unfortunately, fairness is the last thing this bill would achieve.

For 50 years, there has been a balance in the bargaining power between business and labor. When negotiations take place, both sides know they can lose if they fail to reach an agreement and a strike results. Employers know a strike will severely disrupt their operations. If they attempt to continue operations using management personnel or, in the few

cases where they might hire replacement workers, they know the loss in productivity could result in the company losing its competitive position. Employees, on the other hand, know there is a chance they may lose their jobs.

As long as this balance exists, strikes are relatively rare and negotiated labor-management agreements are the rule. The evidence bears this out. Person-days lost to strikes is significantly lower in this country than most OECD nations. But, this bill would destroy this balance and radically shift power in favor of labor and against management. Unions will be tempted to strike for their demands, reasonable or unreasonable, with little worry that the strike could fail. The end result of this legislation would be lower productivity, fewer jobs, and an increasingly combative relationship between labor and management.

I urge my colleagues to oppose this legislation.

Mr. DORNAN of California. Mr. Chairman, I rise in opposition to this bad bill, H.R. 5, the striker replacement bill. It is, in short, biased, exclusionary, expensive, and unnecessary. But this does not preclude the big labor unions—or the Democrat Congress doing their bidding—from shoving H.R. 5 down the throats of American business. In effect, passage of this bill will undo 55 years of very carefully balanced labor relations law, as defined in the Mackay decision. H.R. 5 will tip the scales in favor of a stronger union say in the economic affairs of private businesses, even stripping from management the ability to negotiate an end to labor disputes. And it will have the effect of choking off our economic recovery.

In general, our current labor dispute resolution process, as defined in the National Labor Relations Act, works well. While no one should pretend that it is perfect, very few will dispute that it is fair. The NLRA is the foundation of our labor law, driving both sides in a labor dispute to the bargaining table. So what special interest group will claim the current law isn't fair. The unions, whose membership, it is important to realize, only accounts for 12 percent of our private workforce. This means that fully 80 percent of the working population is unaffected by labor arbitration! This is remarkable in light of the disproportionate power labor unions wield. So this minority segment of the labor force now seeks to upset the currently level playing field to give special legal powers to striking workers. H.R. 5 equates economic strikes with strikes based on unfair labor practices, and indeed, chooses the winner even before arbitration. One of our colleagues has justly referred to this as changing the right to work and the right to dispute into the right to be victorious in the disputations. This is unfair.

Of course, with big labor calling the shots in the arbitration process, they will realize a tremendous boost in their political power, which has faltered over the past few of decades. Union membership is down significantly. Interestingly enough, despite the unpopularity of union membership, the AFL–CIO continues to claim that nonunion employees are worse off than union workers, even while they fight life and death battles over issues like striker replacement. The unions also don't seem too concerned about the plight of the unemployed nonunion workers who are happy to work for the going wage—but I will not fault them on their lack of compassion. I will, however, fault Congress for its lack thereof, as it proposes to give union workers further privileges at the expense of American workers who bargain for themselves. It should not be Congress' place to recoup the lost power and prestige of big union labor.

H.R. 5 will have an impact much broader than the unionized workers. It will impact on small businesses, the engine of our economy, by taking away the only option they have available when faced with a strike. Temporary replacement workers are not always an option for small businesses, who lack resources to train people for temporary employment. There simply is not enough return on their investment. And giving labor the upper hand in labor disputes will lead to increased inflation and industrial conflict, and reduced productivity and quality of goods and services. Even the last failed Democrat administration—Carter, not Clinton—recognized that sweeping revisions to the labor code would be excessively inflationary and lead to increased labor disputes. This is why President Carter never pursued this issue, even with a sympathetic Congress.

The bottom line, Mr. Chairman, is that labor wants to turn the current dispute resolution process into a risk-free situation for unions. Does it seem fair that an American businessman who risks his own capital to establish a business should lose the very soul of that business without any say in the matter, while striking workers are assured of a permanent job for participating in even the most garden-variety or frivolous strike? It is not fair, and it is for this reason alone that H.R. 5 must be defeated. I urge my colleagues to defeat this bill and instead support labor dispute resolution through the NLRA guidelines.

Mr. KLECZKA. Mr. Chairman, the labor relations system in the United States must maintain a delicate balance between labor and management. That balance must exist between the natural economic force of the employer and the corresponding economic force of unionized workers to withhold their labor.

This balance has been threatened by a philosophy which undermines the collective bargaining process. Since 1981, more than 300,000 workers have lost their jobs to permanent strikebreakers. In addition, thousands of workers have refrained from exercising their legal right to strike because of the threat of permanent replacement.

In 1970, employers hired permanent replacement workers in only 1 percent of all strikes. In 1992, employers hired permanent replacements in 25 percent of all strikes. According to a survey conducted in 1992 by the Bureau of National Affairs, 79 percent of all employers polled responded that if a strike occurred at their businesses, they would seek to replace their work force or would seriously consider doing so.

In this environment, unscrupulous managers have come to see collective bargaining not as a good faith means of negotiating wages and working conditions, but rather as an opportunity to demand substantial give-backs, precipitate strikes, replace the strikers, and recruit a newer and more obedient work force. Some employers even advertise for permanent replacement workers before they begin negotiations.

Clearly, action is needed to restore balance to the labor-management relationship, which is the basis for America's economic livelihood. The Cesar Chavez Workplace Fairness Act is that action.

This legislation would restore balance to collective bargaining by providing unionized work forces protection from being permanently replaced or discriminated against for participating in a legal strike. It also ensures that American workers will not unjustly lose their benefits as a result of this unfair business practice.

Mr. Chairman, the hiring of permanent replacement workers continues to endanger our Nation's system of collective bargaining. Even more significantly, it endangers the long-term vitality of the American economy which depends on labor-management cooperation based on the mutual respect that comes from a relationship between equals. It is time to end the replacement of American workers with permanent strikebreakers. It is time to be fair to American workers. It is time for H.R. 5 to become law.

Mr. BERMAN. Mr. Chairman, I rise in strong and proud support of H.R. 5, the Workplace Fairness Act.

If ever there were a piece of legislation whose time has come, this is it. In fact, as I review the sorry history of the past decade, I can only conclude that this legislation is long overdue.

I have watched with growing dismay as American workers have agreed to major givebacks of hard-won wages and benefits, on the understanding that they would share in the turnaround when their companies' profitability was restored. Instead, when the time has come, they have been confronted with ultimatums. Take it or leave it, because we know that if you choose to strike, we can permanently replace you.

Clearly, an increasing number of employers view collective bargaining not as a means of negotiating wages and working conditions, but rather as a means of recruiting a younger, lower paid new work force—comprised, they doubtless hope, of workers less likely to join a union.

Leadership at the national level could have signaled to American employers that their interest, as well as the Nation's, lies with retaining a loyal and experienced work force. Instead, Ronald Reagan kicked off the 1980's by firing the air traffic controllers. Granted, theirs was an unlawful strike, but I don't think for one second that that was the sole basis for President Reagan's action. He wanted to send a strong and sure signal to American workers that the decision to strike might cost them their jobs, and to American employers that they could in effect fire striking workers, just as he did, with impunity.

As a result, what has for over 50 years been a rarely exercised loophole in the law, has now wreaked havoc on the lives and well-being of hundreds of thousands of American workers and the communities in which they live.

We are faced with a legal absurdity: under the National Labor Relations Act, employers cannot discriminate against employees exer-

cising their legal right to engage in an economic strike, yet employers can hire permanent replacements for their striking employees. New workers promised permanent positions are vested with an enforceable cause of action. And junior striking employees who cross picket lines may be retained and offered superior positions in preference to more senior strikers.

Don't tell me this doesn't destroy the right to strike.

As a former labor lawyer representing unions 20 years ago, I have followed closely the accelerating erosion of the remedies workers could avail themselves of when faced by employers who refuse to bargain in good faith. One by one, these remedies have been weakened. An entire new generation of lawyers has developed whose stock in trade is mastery of the delaying tactics which the Board has tragically sanctioned.

And of course over the years, the range of countervailing economic weapons has now almost thoroughly been denied to workers—from secondary strikes to consumer picketing to hot cargo agreements. All this at the same time that we preach the gospel of economic ambition—for employers only, so it seems.

Little wonder that observers have noted tartly that workers today have not so much a right to strike as a right to quit.

Tragically, the due bills have come in from a decade of Reaganomics, of takeovers, leveraged buyouts, and an entire range of economically and socially unproductive economic activities pursued by owners and investors with no loyalty to employees nor stake in the community.

Workers these days are expected to appreciate having a job at all. Concerted activity to improve wages and working conditions is seen as an act of ingratitude.

I hope that in considering today's vote, my colleagues will remember all the times we have as a body lamented the decline in U.S. productivity and competitiveness. Consider the terrible price we pay as a nation—not to speak of the price paid by thousands of individual American families—when loyal, experienced American workers are replaced, and often at best underemployed in new, lower paid and lower skilled jobs, if they are employed at all.

I do not want our children to have to relive the terrible history that pitted Americans against Americans, workers against their replacements. We understand and abhor that history as we have learned it from our parents and grandparents, and from our history books. Let us restore the means for peaceful resolution of worker and employer differences promised by the National Labor Relations Act. I urge passage of H.R. 5.

Mr. PACKARD. Mr. Chairman, I rise to urge my colleagues to vote against the striker replacement bill. This bill will upset the balance between management and unions by encouraging strikes.

This legislation would remove the seldom-used tool of replacing economic strikers permanently. It will also be disruptive to the use of collective bargaining to balance the interests of management and unions. As each side approaches the bargaining table, it knows it has something to lose if agreement is not reached and a strike results. Without the right to hire permanent replacements, employers will have very few alternatives if they are confronted with a strike. Some may even be forced to close down their operation or concede to the union's demands.

In addition, the bill before us today is yet another special interest bill which favors unionized workers who account for only 14 percent of the work force. Proponents of this bill claim that because the rates of unionization have declined, that current law is already tipped in favor of management. They have the equation backward. Union membership has declined because unions, except in a few instances, have outlived their usefulness.

I can only conclude that the end result of the striker replacement bill, if enacted, will be fewer jobs, lower productivity, an inability of American businesses to compete in the global economy, and an increasingly combative relationship between labor and management.

Mr. PORTER. Mr. Chairman, to protect the interests of striking workers and employers alike, our labor laws have maintained a clear and consistent distinction between two types of striking workers: those who walk off their jobs due to an employer's abusive labor practices—an unfair labor practices strike—and those who voluntarily strike for higher pay or increased benefits—an economic strike.

For over 50 years, the distinction between unfair labor practice disputes and economic strikes has been considered so essential to balanced labor relations that, until recently, it had never been questioned even by organized labor. But the bill before us banning permanent replacements—H.R. 5—would eliminate this distinction, dismiss any notion of equitable bargaining terms, and grant unions unlimited leverage during strikes and bargaining.

Because strikers in an unfair labor practice dispute have been forced to the picket line by an employer's illegal practices, they are guaranteed immediate reinstatement with full benefits after the strike is over. Current law recognizes that an employer who violates employees' legal rights should not be able to continue business as usual while operating outside the law.

When organized labor does resort to the economic strike, current law already prohibits discrimination based on union membership, mandates preferential rehiring of returning strikers with full benefits as vacancies occur, and makes illegal any promised preferential treatment of prospective employees.

However, Mr. Chairman, in an economic strike—such as a strike for higher pay—the law recognizes that an employer who has not broken the law—who simply disagrees with the union's economic demands—has the right to try to stay in business by rehiring replacement workers. To attract such replacements, it is often necessary to offer permanent employment. However, when a company does bring in permanent replacements, it is prohibited from offering them a better deal than it offers the strikers at the bargaining table.

Current law is intended to discourage every dispute from triggering a strike. When union members voluntarily walk away from $38,000 a year production jobs in Maine, or a $98,000 a year job as pilots, or $200,000 a year jobs as professional football players, they know that there is substantial risk that other workers might find such pay acceptable. Thus, an economic strike is a calculated risk on the part of the union. A union striking for economic demands, which may or may not be reasonable, should not be afforded the same immunity to risk of replacement given to workers whose legal rights have been violated by their employer.

Under the provisions of H.R. 5, unions would no longer have to weigh the risks of job loss against the reasonableness of their economic demand. Under this bill, strikers making any economic demand, no matter how outrageous, would have the same right to automatic reinstatement after the strike as workers protesting an employer's unfair labor practices.

A permanent replacements ban would abolish the mutual risk faced by opposing sides in an economic strike—the important mutual rise which pressures both management and labor toward compromise and conciliation, and makes both sides think twice about demands or policies likely to precipitate a strike. Labor policy for more than half a century has emphasized conciliation as the ultimate goal by making the strike a risky proposition for both employers and employees. H.R. 5 would effectively eliminate workers' risk during an economic strike and place all risk with employers, denying their right to try to stay in business.

H.R. 5 does not purport to correct some loophole or address some pervasive problem. Two General Accounting Office reports have shown that permanent replacements are used in only 15 percent to 17 percent of strikes, and affect less than four percent of all strikers. The infrequency with which employers have exercised the option to replace workers illustrates the balance of mutual risks under current law, which helps bring unions and management closer to reconciliation and continued productivity.

What the proposed legislation would do is allow unions to engage in no-risk economic strikes at a time when 73 percent of all Americans—according to a recent Time/CNN poll—believe that organized labor has either too much or just the right amount of power.

Disproportionate leverage for either management or labor is just bad public policy, and the proposed permanent replacements ban represents an unjustified shift of power to labor's side of the bargaining table. Strikes have always been an option of last resort. If enacted, H.R. 5 would make them the first.

I thank the Chair and I urge my colleagues to vote against this measure.

Mr. HASTINGS. Mr. Chairman, I rise today to announce my strong support for H.R. 5. This bill will restore a fair balance between labor and management while enriching the work environment for American workers. Since the early 1980s, all workers, both union and non-union, have suffered from wage decreases by almost 7 percent.

H.R. 5 will level the playing field in the American workplace. American workers do not decide to go on strike on a whim. A strike is usually viewed as a last resort, only to be taken if all else fails. Allowing employers to permanently replace workers who are exercising their legal right to strike eliminates the strongest weapon that these workers have in the collective bargaining process. As long as permanent replacement remains an option,

workers risk losing their jobs every time they engage in a legal strike.

It has been over 12 years since Ronald Reagan fired the air traffic controllers. Let us not let his message of bias working conditions prevail. American workers need this protection. We in the Congress can pass this legislation. I urge my colleagues to join me in voting for H.R. 5.

Mr. GEJDENSON. Mr. Chairman, as a cosponsor of H.R. 5, the Cesar Chavez Workplace Fairness Act, I rise today to voice my strong support for this important legislation.

I'd like to set the record straight about the Workplace Fairness Act. First of all, it's illegal to fire a worker for engaging in union activity. So what's the difference between being fired and being "permanently replaced"?

The law permits a striking worker to be permanently replaced. This loophole must be closed if America's working men and women are to have a viable option for action if their employers fail to bargain in good faith. Unless we close the loophole, there is no incentive for management to negotiate fairly with workers.

Since 1935, the National Labor Relations Act has protected the right of workers to join unions and to engage in collective bargaining. For collective bargaining to work, all parties must negotiate in good faith. There's no good faith when workers lose their jobs because they exercised their rights.

H.R. 5 is not antibusiness. While protecting the effectiveness of the right to strike, the Workplace Fairness Act also allows businesses to keep their operations going by hiring temporary replacements. But it is integral to the balance of labor-management relations that when a strike is settled, workers can return to their jobs.

I reject the notion that the Workplace Fairness Act encourages strikes. The decision to strike is not an easy one for America's working men and women. A strike means serious hardship, loss of income, strains family savings in order to pay their obligations, and causes tensions that hurt family relationships. It can take years to recoup these financial losses. Protecting the negotiating value of the right to strike will not make strike conditions easier for America's working families.

Passage of H.R. 5 will ensure the fairness and effectiveness of collective bargaining. H.R. 5 protects the rights of workers to negotiate for fair wages and safe working conditions. The bill also protects the rights of employers to hire temporary replacement workers during a strike in order to remain a viable business enterprise.

Support good labor-management relations and fairness in the workplace—support H.R. 5, the Workplace Fairness Act.

Mr. KENNEDY. Mr. Chairman, in 1981, Ronald Reagan sent a chilling message to organized labor in this country—if you go out on strike, your jobs are in jeopardy.

It is a simple message, but it is devastating.

And let me tell you, the workers of this country have gotten the message. More and more frequently, striking workers are being replaced on a permanent basis. Worse, the threat of permanent replacement is now part of one-third of all negotiations.

As long as business owners can effectively fire striking workers, and that's what being permanently replaced amounts to, they will continue to wield the balance of power in any labor-management negotiation.

This is not equity, nor is it fairness. Employers have the upper hand—it is as simple as that.

Opponents of this legislation have argued that this bill will change the present delicate balance on the scales of labor-management relations.

I, for one, certainly hope so. As it is, the American labor movement is outweighed and outgunned. They have been unilaterally disarmed. We need to change the balance in order to restore fairness.

Opponents today have argued that this legislation will be an invitation to strike.

This is a ridiculous claim. No worker wants to go out on strike. Strikes mean privation and hardship. They mean declines in family income. Strikes mean uncertainty and fear.

Workers do not choose to go out on strike. They are forced to. Nor do employees want to put their employers out of business—workers understand that their own economic success depends on that of their employer's.

If we are really going to move toward a new era of labor-management cooperation in pursuit of the goal of economic competitiveness, we must move together, with labor and management as truly equal partners. We cannot expect true cooperation, we cannot expect progress, if one side is dragged along with threats of retribution hanging over them.

The Cesar Chavez Workplace Fairness Act is important legislation, and I urge my colleagues to support it.

Mr. GILCHREST. Mr. Chairman, I rise in opposition to H.R. 5, and I request permission to revise and extend my remarks.

Mr. Speaker, Ross Perot, in his opposition to NAFTA, referred to "that giant sucking sound" of jobs going south of the border. While I disagree that Mexican wage rates will have a significant impact on where U.S. plants locate, today we are making "that giant pumping sound" of Congress squeezing U.S. businesses out of the country through excessive regulation.

Proponents of this bill claim it will: "Restore balance at the bargaining table." I would question when such a so-called balance ever existed. The National Labor Relations Act was passed in 1935, and the Mackay decision was handed down in 1938. Ever since, management-labor relations have been balanced between labor's right to strike and management's right to try to operate in the face of a strike. It seems far more plausible that this bill was designed to address the problem of declining union membership.

If this bill is passed, management will essentially have to purchase their labor from one source, and one source only, at whatever price is demanded, or else shut down. Is this someone's idea of balance? Real labor negotiations occur when both sides have a lot to lose. Currently, labor has to negotiate, or else risk permanent replacement. Management has to negotiate, or risk ending up like Eastern, or Greyhound, or dozens of other companies which have tried to replace striking workers and ended up bankrupt. That is the current balance.

But if this bill passes, management will have no bargaining power at all; they can give in, or shut down. As I said when we considered this 2 years ago, how would any of us feel if we had to purchase our gasoline from one source, at whatever price was demanded, or else not drive? There is no other market where we would consider giving sellers such market power.

Mr. Speaker, I am not an enemy of unions—I have belonged to several unions in my life, and I believe that they serve a useful purpose. When I leave Congress and go back to teaching, I may well belong to a union again. But we don't help unions by rendering businesses insolvent, and that's what this bill will do.

If you support real balance at the bargaining table, vote against this bill. If you're worried about businesses leaving the country, vote against this bill. If you're worried about jobs for your constituents, vote against this bill.

Mr. HERGER. Mr. Chairman, I rise in opposition to H.R. 5. I believe it wrongly shifts the current balance between labor and management, eliminating the neutrality of the Federal Government in labor relations.

The example of the Diamond Walnut strike illustrates why H.R. 5 should be rejected. Diamond Walnut and the Teamsters Union had good working relations for 35 years, but in 1991 a new team of union negotiators led a strike at the beginning of harvesting season.

The timing of such a strike is uniquely damaging to agriculture. Unlike most manufactured products which can be finished later, walnuts must be processed in the 2-month harvesting period or they will spoil.

Diamond has consistently provided generous wage and benefit packages and the company offered between 9- and 29-percent increases in the 1991 negotiations. The company also cooperated with Federal mediators, offering concessions which the union did not even allow its membership to vote on before proceeding with its damaging strike.

Companies in this situation must have some flexibility to hire replacement workers. All the cards cannot be in the union's hands. The Diamond Walnut case shows why H.R. 5 would be a bad law.

Mrs. FOWLER. Mr. Chairman, H.R. 5 is a step backwards in labor-management relations. Both the strike and the hiring of permanent replacement workers have been, and should be, the last resort for both sides in labor-management disputes. I believe in a worker's right to protest unfair labor practices and I think that negotiated settlements are in the best interest of workers and management alike. However, this bill completely disrupts this delicately crafted balance of power. H.R. 5 is fundamentally bad legislation and should be opposed.

I am concerned about the working men and women of this Nation and I recognize that this bill is not the equitable, pro-employee legislation its proponents would have you believe. Rather, it is special-interest legislation designed to give organized labor a powerful new weapon, upsetting the balance in collective-bargaining negotiations. H.R. 5 is special-interest legislation, as more than 88 percent of private-sector employees are not represented by a union.

Yet, all employers stand to lose under H.R. 5 because the law would apply to all union

and some nonunion companies alike. Unions will gain from the huge new leverage over employers the bill would give them. The result will be lost jobs. Lost jobs at a time when we should be promoting stability in our domestic workforce, security in employment and a focus on economic growth.

Under current law, employers are permitted to hire permanent replacements for workers who are on strike for economic reasons. Workers on strike because of employer unfair labor practices cannot be replaced. This distinction applies regardless of whether the workers are represented by a union. A worker's job is, indeed, protected under current law if he or she walks off the job as a result of unfair labor practices.

H.R. 5 guarantees that organized labor would always win at the bargaining table of labor-management negotiations. It would abolish the principle of government neutrality in labor-management relations, and further tie an employer's hands in the rapidly changing U.S. economy and the fiercely competitive global economy. This bill would remove all risk and balance from a decision to strike over economic issues. This legislation is not in the best interest of American workers. I urge my colleagues to vote "no" on H.R. 5.

Mr. PALLONE. Mr. Chairman, I am pleased to be here today as we vote on H.R. 5—The Striker Replacement Act of 1993. The Cesar Chavez Workplace Fairness Act protects our organized labor force from unfair discrimination in the workplace. I feel that Congress should reward the hard work and determination of our laborers by making collective bargaining more fair and not allowing companies to simply hire unskilled and untrained permanent replacement workers during a strike. Our country was built on the backs of labor, and I urge my colleagues to stand up and vote for H.R. 5 and show our country we still care about hard work.

Mr. Chairman, I submit for the record, that I am strongly in favor of the Striker Replacement Act. The Workplace Fairness Act will protect the right of workers to strike over economic issues for the first time since a 1938 Supreme Court decision—NLRB versus Mackay Radio—declared that to protect his business an employer may hire replacement workers for employees on strike. Our country could not exist without a high wage, highly skilled work force. Not until the 1980's and Ronald Reagan's firing of the air traffic controllers has this law been widely used. According to a GAO study, in nearly 17 percent of strikes reported to the Mediation and Conciliation Service in 1985 and 1989 employers hired permanent replacement workers. Combine this statistic with the 7 percent in real hourly wages since 1980 and we have a disproportionate relationship between labor and management. If we are going to continue to be an economic power in the world we need to reverse this trend. We need to have a work force that can be a factor in our economy and will have the ability to purchase the products they helped create.

Opponents of the Workplace Fairness Act will have you believe that passage of this bill will encourage more strikes. Mr. Speaker I submit to you that if wages decrease by another 7 percent in the 1990's we certainly will see an increase in strikes. Passage of the Striker Replacement Act will provide more confidence in the collective bargaining process, and workers will be on a more even playing field with employers. Stability will be created with passage of this bill. Workers will have the ability to express their concerns over their wages, without the fear of losing their job, or being discriminated against upon returning to their job. I urge my colleagues to vote for the Cesar Chavez Workplace Fairness Act. We need to be more responsible about creating wage equity in our society.

Mr. BUNNING. Mr. Chairman, I rise in strong opposition to H.R. 5, the so-called Workplace Fairness Act.

Mr. Chairman, this is a bad bill and the House should reject it. It's bad for American business, it's bad for the American worker and it's bad for the American economy.

Ever since the Supreme Court's MacKay Radio decision, our labor law has finely balanced the rights of employers and employees in labor negotiations.

Under current labor law, both labor and business have incentives to work together to help keep American business up and running. Both sides have powers that counterbalance the negotiating tools of the other.

H.R. 5 would topple this balance between business and labor. Instead of having to deal with the chance that employers might permanently replace striking workers, this bill would allow big labor to strike without any fear of serious consequences.

Labor could call a strike whenever it wanted, for whatever reason it wanted, and when all was said and done, the employer would have no choice but to take the workers back.

If workers threatened a strike, an employer would have two choices: give in to the demands, no matter what they were; or, endure a strike without any ability to defend himself.

In short, H.R. 5 would give big labor the ability to run over business with a Mack truck and then force business to hire back the truck driver.

Mr. Chairman, this isn't fairness—it's a mistake. One of he reasons we have the biggest, strongest economy in the world is because our labor law encourages business and labor to work together, not against each other. Our labor law recognizes that the interests of workers and employers are irrevocably intertwined and doesn't give one side more power than the other.

H.R. 5 is shortsighted legislation that will not promote comity between business and labor. Instead, it will promote chaos. It will cause more strikes and big labor will be able to grind the American marketplace to a halt. At a time when our economy is struggling to wrench itself from the grips of recession and when we continually hear about the need to compete in the international market, I just don't understand how anyone could vote for a bill that will cause so much chaos in the American marketplace.

Mr. Chairman, H.R. 5 is a misguided bill that deserves to be voted down. It will lead to more strikes, it will sour business and labor relations and it will hurt our economy. I urge my colleagues to vote against this bill.

Ms. HARMAN. Mr. Chairman, I rise in strong support of H.R. 5 and urge its passage.

Since coming to Congress, my primary mission has been to retain and build high-skill, high-wage jobs. If we are to build the economy of the future, our Nation has to come together and work as partners, not rivals. We need Democrats to work in partnership with Republicans. We need Government to work in partnership with the private sector. Most of all, we need management to work in partnership with labor. H.R. 5 is necessary to help build that vital worker/management relationship.

From the 1930's to the early 1980's, it was generally accepted that upon the conclusion of a strike, striking workers would return to their jobs. While management had the authority to hire permanent replacements, most managers chose not to permanently replace striking workers because of the very negative effect such action would have on labor relations within the company. The knowledge that workers would eventually come back encouraged both sides of a labor dispute to keep the negotiations within some reasonable bounds of cordiality. A tradition developed that kept labor disputes from becoming life or death struggles.

In the 1980's, that all changed. Many companies began permanently replacing striking workers. Many more companies used the threat of permanent replacement in their negotiations with labor. A tradition was ended and trust was broken.

Labor unions have played a vital and constructive role in the growth of the American economy. The American worker is the most productive in the world, an achievement for which unions can claim some credit. Permanent replacement of striking workers destroys trust and could, in fact, destroy labor unions themselves. The right to strike is a critical part of the collective bargaining process. But this right is meaningless if workers must put their entire livelihood on the line in order to exercise it.

To restore economic growth, we must restore and build trust. H.R. 5 will do this, and I intend to support this legislation and oppose efforts to weaken it.

Mr. KYL. Mr. Chairman, I rise in opposition to H.R. 5, The Striker Replacement Act. If enacted, this legislation will disrupt over 50 years of accepted labor law by prohibiting the use of replacement workers in economic strikes.

At a time when we should be looking for ways to create jobs and foster economic growth, the effects of H.R. 5 will be just the opposite. Our Nation's businesses will be seriously hurt. Many of them will be forced to close their doors forever as a result of this legislation.

Since 1938, the Supreme Court ruling National Labor Relations Board versus Mackay Radio & Telegraph Co. has prohibited employers from hiring permanent replacements during a strike if the employer is guilty of unfair labor practices. However, if a strike is for economic reasons, that is wages, benefits, and so forth, and the employer has bargained in good faith, permanent replacements can be hired.

The working result of this 50-year-old Supreme Court decision has been a basic balance between the needs of workers and the rights of employers. H.R. 5 will unravel this balance by skewing the bargaining practice in the union's favor, inevitably resulting in more

strikes, impaired labor-management relations, and threatened economic survival of many businesses.

I have heard from a number of business owners and workers in Arizona who know firsthand what the economic ramifications of the striker replacement legislation would be. I recently received a letter from the President of Holsum Bakery, Inc. in Phoenix AZ, which presents a perfect example of how H.R. 5 could devastate the average company in this country.

In short, in June 1991 the Bakers and Confectioners Workers Union was involved in a violent strike against Holsum Bakery. Prior to the strike, Holsum Bakery told its work force if it chose to reject the company's offer regarding wages, health care, and pensions, the bakery would be forced to hire permanent replacement workers. The benefit package subsequently refused by the union was apparently very attractive to other individuals in Arizona who either were out of work or whose wages were lower than those being offered by Holsum Bakery.

To stay in business Holsum Bakery was able to hire permanent replacement workers, even over the obstacles presented by a violent picket line organized by the union—over 160 acts of violence. If, however, Holsum Bakery was only able to hire replacements temporarily as a result of H.R. 5, the willingness of replacement workers to cross the picket line would have been sharply reduced; and, the bakery's ability to continue operating and providing local jobs would be seriously jeopardized. As Edward Eisele, president of Holsum Bakery, explains:

> Do you seriously believe any of the people who were already employed at another job, who were seeking to earn more money and improve their station in life, would have been willing to cross a very violent picket line for a temporary job? Upsetting the very delicate balance which exists in a collective bargaining scenario by giving organized labor the unilateral power to force employers into untenable positions is exactly what H.R. 5 will do, and I urge you to vote against its passage.

Mr. Eisele's comments make a lot of sense and most Americans agree that Congress should enact legislation which affirms the right to work and create jobs—not just the opposite. Supporters of H.R. 5 say that American people support banning permanent replacements but a recent Time/CNN poll found that the majority—60 percent—of Americans would not favor a ban on permanent replacements.

Proponents of H.R. 5 also asserts this legislation is needed because the practice of hiring permanent replacement workers has increased dramatically over the past several years. The opposite is actually true. A 1991 General Accounting Office—GAO—study of replacement strikes revealed that only 4 percent of strikers were replaced in 1985 and 3 percent in 1989. And, according to a 1992 study by the Bureau of National Affairs, 74 percent of strikers who were replaced in 1991 had returned to their jobs at the time of the study.

So, under current law, there is a balance. Workers fighting unfair labor practices are protected and, at the same time, employers cannot be held hostage by unions with unreasonable demands. The occurrence of strikes has declined dramatically over the past 50 years, in large part because of the incentives the Mackay decision gives both labor and management to bargain a fair contract.

This balance in the negotiating process should not be altered. H.R. 5 will back American businesses into a corner and into agreements that may not reflect market realities. Labor costs will increase, with no guarantee that production levels will also increase proportionately. American businesses are trying harder than ever to cut waste and operate more efficiently in order to compete with foreign competition, both at home and in the global marketplace. H.R. 5 will be a giant step backward, putting Americans out of work and American companies at a competitive disadvantage.

Mr. Chairman, Holsum Bakery's Ed Eisele is asking me to do the right thing when he urges me to oppose H.R. 5. I urge my colleagues to join me in defeating this ill-conceived legislation and would ask that Mr. Eisele's letter be reprinted in the RECORD. Thank you.

HOLSUM BAKERY, INC.,
Phoenix, AZ, April 26, 1993.

Hon. JON KYL,
House or Representatives, Washington, DC.

DEAR MR. KYL: I am writing to express opposition for H.R. 5, the Anti-Striker Replacement legislation.

Recall that in June, 1991, we suffered a very violent strike which was brought about by the Bakers & Confectioners Workers Union against our company. Prior to this strike, we put a proposal on the table which matched—to the penny—the union's wage demands, we agreed to numerous contract changes, yet we could not agree to a very expensive health and welfare plan that would have forced us to pay approximately $550 per month per person for health converage—almost double the previous year. Also, because of what we considered to be a very inadequate defined benefit pension plan that we had paid into for years, we suggested we take the same hourly contribution of $1.34 per hour and create a new defined contribution pension plan which would benefit our people and their families greatly. In spite of the fact we invited all of our work force to come in, on a private basis, bring their spouse, their lawyer, whomever they wished, to at least hear what our side of the pension issue was and why it would definitely benefit them and their families, less than 10 (out of over 180) people came in to listen and then make up their minds as to which choice would be best. Would it surprise you to know most of those people who did come in to hear about the pension plan came back to work shortly after the strike commenced?

Prior to the strike, we told all of our work force that if they chose to reject our offer, we would be forced to operate the business to meet the needs of our customers. The only way we could do this was to hire replacement workers on a permanent basis. Thus, when the strike was announced, we began hiring permanent replacements. As we both know, this benefit package was quite attractive to Arizona people who were either working at another job for less pay or were unemployed at the time our bakers walked out. Do you seriously believe any of the people who were already employed at another job, who were seeking to earn more money here and improve their station in life, would have been willing to cross a very violent picket line (over 160 acts of violence) for a temporary job? Upsetting the very delicate balance which exists in a collective bargaining scenario by giving organized labor the unilateral power to force employers into untenable positions is exactly what H.R. 5 will do, and I urge you to vote against its passage.

Should you have any questions regarding this legislation whatsoever, I would be more than happy to discuss these issues with you at length. Having lived through what the police say was one of the most violent strikes in the history of the State of Arizona, I've had front row seats to know what the consequences will be for all employers in this country should you make the fatal mistake of approving this legislation for what everyone seems to consider will be political reasons. Political reasons will not help our domestic marketplace or our world competitiveness whatsoever.

Sincerely,

EDWARD EISELE,
President.

Mr. BUYER. Mr. Chairman, I have always supported the right of workers to organize and will always work to protect that right. I believe that workers have the right to strike over economic and safety concerns just as I believe that management, during an economic strike, should have the right to hire replacements.

During an economic strike business should have the ability to keep the company running using any means necessary, whether it be using replacement workers, management, or employees from other locations.

Our labor laws contemplate risks and incentives that are essential to the dynamics of collective bargaining. It is my belief that the practicality of the effects of H.R. 5 implementation, make it an unreasonable option in today's highly skilled work force.

The changes H.R. 5 would make in labor law upset the delicate balance in existing law. Workers must have the ability to strike while management must have the right to hire replacements. I fear this legislation would bring an increase in strikes and possibly result in the loss of business because of the time and cost of training temporary employees.

In today's highly skilled work force, training a temporary employee is unrealistic. There is no incentive for a temporary employee to cross the picket line under H.R. 5. The long-term effects of this legislation could result in fewer businesses, increased unemployment, and ultimately a declining economy. Clearly, these results are not in the long-term interests of labor, either.

The debate on H.R. 5 has been characterized as having only two choices: either we can ban the use of permanent replacements or sustain the status quo. I believe it is time to move this all-or-nothing, win-lose approach to a win-win approach. I support the Ridge amendment, as it forces both sides to immediately come together to discuss a fair solution to the dispute; however I realize that it does not address how H.R. 5 overturns the 1989 Supreme Court decision.

H.R. 5 also discriminates against fellow workers because it overturns the 1989 Supreme Court decision. I do not support the discrimination of American workers. This bill permits discrimination against workers who, although they may support the strike, need to go back to work for economic necessity. I think of the single mother who supports the

strike but must return to work for economic reasons. Any seniority, promotions, or other benefits she received during the strike are automatically rescinded upon the conclusion of the strike.

At a time when we need to make American business stronger, this legislation will make American business weaker. At a time when we need to keep the fair balance between management and labor, this legislation tips that balance toward labor. At a time when we need to keep the possibility of strikes at a minimum, this legislation will increase the possibility of strikes. Therefore, I cannot support H.R. 5 as it is bad for Indiana's Fifth District, bad for the American worker, and bad for American business.

Mr. FRANKS of Connecticut. Mr. Chairman, I have heard H.R. 5 referred to by many different names since I arrived in Congress. However, no matter what H.R. 5 is called, this bill will radically alter the balance between management and labor, encourage more strikes, and ultimately destroy jobs. Coming from a labor relations background with several Fortune 500 companies prior to my election, I feel I have a good understanding of the collective bargaining process. I believe that this process is fair and equitable and has worked well for more than 50 years. This situation will change if H.R. 5 becomes law.

Any strike disrupts our national productive capacity and results in the loss of jobs in the economy as a whole. If businesses can no longer permanently replace workers who strike for economic reasons, they are likely to be the victims of strikes more often.

H.R. 5 would take away management's economic weapon while leaving labor with the ability to exercise its right to strike. In effect, this bill will undermine our system of collective bargaining. Employers will no longer be able to keep their businesses operating if workers are given the opportunity to strike without market risk.

Under current law, an employer is already prohibited from hiring permanent replacement workers in a strike conducted over an unfair labor practice committed by that employer. However, expanding that prohibition to economic strikes will take away the incentive for unions to bargain for an agreement fair to both sides.

At a time in which Congress should be working to improve our national economy by reducing the tax and regulatory burden on businesses, the majority party continues to push bills that strangle the businesses that create jobs. H.R. 5 is another one of those bills.

Mr. POSHARD. Mr. Chairman, I again want to express strong support for H.R. 5, now known as the Cesar Chavez Workplace Fairness Act. In supporting this bill, as I did in the previous Congress, I am speaking in behalf of the working men and women of this country.

It is very unfortunate when the collective bargaining process does not produce an agreement to which both labor and management can agree. But, in instances where organized labor unions have the legal right to strike as part of the negotiating process, I am unwilling to see that right ignored by giving management the opportunity to permanently replace these workers.

In the face of some very difficult circumstances today, where companies often are not the local operations they once were, but are huge international conglomerates with little attachment to the people in the shops and factories, American workers continue to fight for decent wages, benefits, working conditions, and standard of living. However, more and more they are losing the fight. They are losing the unfair competition from abroad, and an attitude of disrespect here at home.

It disturbs me a great deal to hear people say the unions have lost touch with modern times and have outlived their usefulness. The progress earned inch by inch over the years by unions dedicated to improving the quality of life for their members has insured that our workers don't come home maimed or killed at the same rate we once saw. American workers decided they were not going to accept those conditions or let management squeeze the extra penny of profit out of their pain and misery.

Until a dozen or so years ago, unfair labor conditions could be negotiated into equitable working situations. In contrast today, too many companies don't hesitate to move to permanent replacement workers if the union is not willing to live under a take it or leave it order. The bottom line is corporate profit. This attitude is what makes passage of H.R. 5 imperative. In view of these ruthless circumstances we can do nothing less than to vote for this legislation to reverse current trends and restore a fairer and more equitable system of labor relations.

Mrs. LLOYD. Mr. Chairman, I rise in support of H.R. 5, noting the incorporation of language into the bill clarifying that the legislation does not apply to nonunion employers.

This legislation is needed to address the deteriorating relationship between labor and management that has become more acute in the last 10 years. It is needed to restore the balance established over the last 50 years that brought this country prosperity. Unfortunately, faults on both sides have brought us to this point today.

I am sympathetic to the concerns the business community has raised over H.R. 5. I realize that a company subjected to a strike suffers from lost productivity and profits. We are all concerned with America's competitiveness and we understand that our businesses face unfair practices from overseas. American business must have the flexibility to respond to foreign challenges. However, our toughest competitors, Japan and Germany, do not allow employers to permanently replace striking workers.

To understand the need for this legislation we need to consider some of the startling occurrences that have brought us to this point. Over the last decade, some major employers have shown a loss of loyalty to long-term workers who have helped build companies and communities. They have rushed to abandon or drive out employees when their own short sightedness left their industry less than competitive. Their willingness to sacrifice American wages and workers has left real wages lower now than in the 1960's.

These are tough economic times for our Nation's families. Many American workers have their backs against the wall in bargaining for just wages, working conditions, and health and pension benefits. Strikes are a last resort and are as difficult for workers and their families as they are for businesses. Businesses and labor should be able to discuss these issues in a constructive manner, but workers who take the painful step of initiating a strike should be able to do so secure in the knowledge that management will honor their legal right to do so.

We must foster an agreeable working relationship between labor and management that restores cohesiveness to the work place. I hope that passage of H.R. 5 will allow us to pursue that objective.

Mr. LEHMAN. Mr. Chairman, as an original cosponsor of H.R. 5, I rise today to voice my strong support for the legislation introduced by my distinguished colleague from Missouri, BILL CLAY. I would like to commend Congressman CLAY for his hard work in bringing this important measure to the floor today, which is designed to level the playing field during the collective bargaining process.

The bill before the House today, H.R. 5, amends the National Labor Relations Act [NLRA] and the Railway Labor Act [RLA] to prohibit employers from hiring permanent replacements for workers who are striking over economic issues, such as wages, benefits, and working conditions. The bill also prohibits employers from giving any employment advantage to a striking worker who crosses a picket line to return to work before the resolution of the strike.

The measure stipulates that its provisions apply only to qualified labor organizations certified by the National Labor Relations Board [NLRB] or those who have applied to the NLRB at least 30 days prior to the strike. The bill is intended to restore an equitable relationship between labor and management groups in the collective bargaining process.

As a proud representative of the great State of California, which is home to the Nation's largest and most productive work force, I believe that the collective bargaining process can only succeed if labor and management can engage in negotiations as equal partners. The mentality of the 1980's, with an emphasis on short-term returns at the cost of sacrificing an experienced and loyal work force, cannot prevail in this new decade as we struggle to revitalize our stagnating economy.

H.R. 5 is an essential measure in our struggle to remain competitive in the world market. The success of nations like Japan and Germany, who guarantee their workers the right to reinstatement after a strike, affirm the fact that this bill is a positive step toward a more competitive place in the world market and toward rejuvenating our economy at home.

H.R. 5 should be enacted now because the American worker has been neglected too long and our economy can never grow without the good will and well-being of laborers and managers alike.

I urge my colleagues to support H.R. 5 because this legislation is a vital step in empowering the American work force, which is the essential lifeline of this great Nation.

Mr. POMBO. Mr. Chairman, the House is presently considering throwing out a labor law that has helped to maintain the delicate balance of power between labor and management for more than half a century.

Some of my colleagues argue that a labor dispute involving Diamond Walnut Growers, Inc., of Stockton, CA, which is located in my district, provides a good example of why H.R. 5 should be enacted. I don't buy it. In fact, the Diamond Walnut case provides good reason to preserve the current balance between labor and management.

The hard facts are that hiring permanent replacement workers was the only way Diamond was able to operate in September 1991, when its regular workers chose to strike at the beginning of its critical walnut harvesting season.

Without replacement workers, Diamond and its more than 2,000 growers—many of whom are family farmers—would have suffered a tremendous financial loss.

By crossing the picket line in order to work for Diamond Walnut, the replacements needed assurances that their positions would be more than temporary. It is very difficult, if not impossible, to attract employees when they are told from the outset that they have no job security whatsoever.

Diamond Walnut offered these workers permanent replacement status under the National Labor Relations Act as the only way to avoid wasting an entire harvest and hurting many people dependent on that crop.

It is important to remember that it is the exception, rather than the rule, for management to exercise its right to hire permanent replacements, just as going on strike is a measure of last resort for most labor unions.

Most disagreements between labor and management are handled not on a picket line, but at the bargaining table.

I fully support the collective bargaining process. I support the legitimate rights of both labor and management; however, H.R. 5 is simply not fair.

Mr. STOKES. Mr. Chairman, I rise in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act, and I urge all my colleagues to support this legislation to restore a balance between the interests of labor and management. Let me pause for a moment to commend my colleagues, the gentleman from Michigan, BILL FORD, and the gentleman from Missouri, BILL CLAY, who have worked tirelessly for many years to protect the rights of American workers and restore fairness to labor-management relations. As a result of their leadership and determination, we have before us a measure that will ultimately benefit both management and America's working men and women.

I also want to take this opportunity to say how pleased I am that this bill has been named in honor of a truly great American, and one of the greatest labor leaders this country has ever had, the late Cesar Chavez. As a man who followed the teachings and examples of Gandhi and Dr. Martin Luther King, Jr., Cesar Chavez did more to help our Nation's farmworkers than any other individual. For over 30 years, Cesar Chavez committed his life to improving the life of migrant workers and other farmworkers. Many of us will remember Cesar not only for his great efforts on behalf of farmworkers but also for leading the crusade to give a strong voice to the Hispanic community, and challenging America to no longer ignore their plight. I believe that naming the Workplace Fairness Act in honor of Cesar Chavez is an appropriate tribute to a great man.

Mr. Chairman, the National Labor Relations Act and the Railway Labor Act were intended to establish a neutral framework for the collective bargaining process. H.R. 5 will help restore that delicate balance, which has been tipped dramatically in favor of management in the last decade. As a result, the working men and women of America, union and nonunion alike, have suffered from declining real wages over the last decade.

According to information from the Bureau of Labor Statistics, real hourly wages have dropped almost 7 percent since 1980, and are now below the 1965 level. A prime reason for this decline is that management's position has been strengthened over the past decade because of the increased use, or threats to use, permanent replacement workers. While this strengthened position has not led to a more internationally competitive U.S. economy, it has led to a much more unfair distribution of income in this country. An important reason for the decline in real wages is that employers have more frequently resorted to hiring permanent replacements for strikers, dragging down the wages of all workers, whether union or nonunion.

The Cesar Chavez Workplace Fairness Act prohibits employers from hiring permanent replacements for workers who are striking over economic issues, including wages, benefits, and working conditions. H.R. 5 also prohibits employers from giving any employment advantage to a striking worker who crosses a picket line to return to work before the end of a strike.

Enactment of this legislation will end the anomaly in current Federal labor law which, on the one hand, prohibits employers from firing workers for taking part in a lawful strike but, on the other hand, permits the employer to permanently replace striking workers. Whether it is called being fired or be permanently replaced, the meaning and effect are the same; the employee loses their job and their livelihood merely for exercising their legal rights.

Workers do not make the decision to go on strike easily, or lightly. To workers, a strike is a weapon of last resort, when negotiation is no longer possible. Workers risk everything when they choose to strike; their homes, their families, and their futures. They risk going for days, weeks, or even months without a paycheck, for the principle of decent wages and a safe workplace. Contrary to what some may say, H.R. 5 will not encourage more strikes, because every worker knows that choosing to strike is choosing economic hardship, at least temporarily. However, H.R. 5 will allow workers to choose to exercise their legal right to strike without fear of intimidation, discrimination, or retribution from their employer.

The Cesar Chavez Workplace Fairness Act is a compassionate, reasonable bill which will restore fairness to the employee-management relationship. I strongly urge all my colleagues to support H.R. 5, and preserve our Nation's collective bargaining system.

Mr. GONZALEZ. Mr. Chairman, I rise today in strong support for the Cesar Chavez Workplace Fairness Act. Throughout my years in Congress, I have always supported the rights of working men and women in this country and have been a long-time supporter of this legislation to guarantee the right to strike.

I remain firm in the conviction that working people have a fundamental right to protect and enhance their own well-being. All power of working men and women to do so derives from their ability to withhold their labor—that is the right to strike.

The past 50 years of labor-management relations has been governed by the collective bargaining process. This process has been based on a balance of powers between labor and management. A vital part of this equation is the right of workers to strike, as set out in law by the National Labor Relations Act of 1935. If employers can permanently replace workers who exercise this right, the right to strike is in all actuality taken away from the employees, leaving them only with a right to be fired.

If relations between workers and employers are supposed to be based on good-faith negotiations and a balance of power, this abridgement of the right to strike undermines the most basic underpinnings of the entire collective bargaining system.

What has changed, especially over the past 10 years, is that the rights and well-being of working people have come under increasing attack. Employers, encouraged by the example of Ronald Reagan, have more and more used permanent replacements, or even the mere threat of them, as a weapon against labor in order to exact concessions in wages and benefits during contract negotiations.

Employers have been able to do this because the deteriorating economic conditions in the United States have left millions out of work or underemployed. This situation will only worsen if the proposed North American Free Trade Agreement is passed. Already, thousands of factories have moved to Mexico from the United States. Under NAFTA, United States companies will be able to threaten to move operations to Mexico if workers go out on strike. If the rights of working people are not guaranteed, they will continue to be attacked and eroded, resulting in greater economic hardship, lower standards of living, more people in the unemployment line, and more families on welfare.

We should be clear about what is under consideration here. Although those who oppose this bill try to cloak their opposition to the right to strike in some arcane footnote of a past Supreme Court decision or wild doomsday threats of massive strikes, what they support in fact when they oppose this legislation and support NAFTA is an attack on the working people of this country.

I urge my colleagues to vote in favor of this vital bill to guarantee the rights and well-being of the working people of this country.

The CHAIRMAN. All time for general debate has expired. Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of the bill, H.R. 5, as amended, is as follows:

H.R. 5

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cesar Chavez Workplace Fairness Act".

SEC. 2. PREVENTION OF DISCRIMINATION DURING AND AT THE CONCLUSION OF LABOR DISPUTES.

Section 8(a) of the National Labor Relations Act (29 U.S.C. 158(a)) is amended—

(1) by striking the period at the end of paragraph (5) and inserting "; or", and

(2) by adding at the end thereof the following new paragraph:

"(6) to promise, to threaten, or to take other action—

"(i) to hire a permanent replacement for an employee who—

"(A) at the commencement of a labor dispute was an employee of the employer in a bargaining unit in which a labor organization—

"(I) was the certified or recognized exclusive representative, or

"(II) at least 30 days prior to the commencement of the dispute had filed a petition pursuant to section 9(c)(1) on the basis of written authorizations by a majority of the unit employees, and the Board has not completed the representation proceeding; and

"(B) in connection with that dispute has engaged in concerted activities for the purpose of collective bargaining or other mutual aid or protection through that labor organization; or

"(ii) to withhold or deny any other employment right or privilege to an employee, who meets the criteria of subparagraphs (A) and (B) of clause (i) and who is working for or has unconditionally offered to return to work for the employer, out of a preference for any other individual that is based on the fact that the individual is performing, has performed, or has indicated a willingness to perform bargaining unit work for the employer during the labor dispute.".

SEC. 3. PREVENTION OF DISCRIMINATION DURING AND AT THE CONCLUSION OF RAILWAY LABOR DISPUTES.

Paragraph Fourth of section 2 of the Railway Labor Act (45 U.S.C. 152) is amended—

(1) by inserting "(a) after "Fourth."; and

(2) by adding at the end the following:

"(b) No carrier, or officer or agent of the carrier, shall—

"(1) offer or grant the status of a permanent replacement employee to an individual for performing work in a craft or class for the carrier during a dispute which involves the craft or class and which is between the carrier and the labor organization that is acting as the collective bargaining representative involved in the dispute; or

"(2) offer or grant an individual any other employment preference based on the fact that such individual performed work in a craft or class, or indicated a willingness to perform such work, during a dispute over an individual who—

"(A) was an employee of the carrier at the commencement of the dispute;

"(B) in connection with such dispute has exercised the right to join, to organize, to assist in organizing, or to bargain collectively through the labor organization that is acting as the collective bargaining representative involved in the dispute; and

"(C) is working for, or has unconditionally offered to return to work for, the carrier.".

The CHAIRMAN. The amendments recommended by the Committee on Education and Labor printed in the bill are adopted.

No further amendments are in order except the amendments printed in House Report 103–129, which may be offered only in the order printed and by the naked proponent or a designee, shall be considered as read, and shall not be subject to amendment. Debate on each amendment will be equally divided and controlled by the proponent and an opponent of the amendment.

AMENDMENT OFFERED BY MR. EDWARDS OF TEXAS

Mr. EDWARDS of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. EDWARDS of Texas: Page 4, line 2, strike "organization" and all that follows through "representation proceeding," on line 11 and insert "organization was the certified or recognized exclusive representative;"

The CHAIRMAN. Pursuant to the rule, the gentleman from Texas [Mr. EDWARDS] will be recognized for 15 minutes, and a Member opposed, the gentleman from Michigan [Mr. FORD], will be recognized for 15 minutes.

The Chair recognizes the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS of Texas. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman and Members, this amendment deals with one basic question that each Member of this House must ask himself or herself: Do you want this bill to protect nonunion workers and nonunion companies from being able to strike and be protected by this measure? If you answer that question "yes," then you should oppose my amendment.

Let me be very clear and let me emphasize this point. If you vote "no" on this amendment, you are basically saying that you want the striker replacement legislation to apply to and to protect nonunion employees in nonunion situations; if, like many Members both opposed and supporting this legislation, you think this bill should only apply to unionized employees, certified unionized employees, you should vote "yes" on this amendment.

The effect is to say that if you are not a unionized company this bill is not going to directly affect your employees. As written, and, Members, look at the bill, page 4, lines 5 to 11, as written, this bill would allow nonunion employees to strike even before workers have even voted to have a union certification election, before it has even been determined what is an appropriate bargaining unit, and before it has ever been determined what union, if there is going to be a union, would represent those employees. I suggest that is not the understanding that many Members of this House had in indicating support for this bill.

Finally, let me say that I know there is some discussion about legislative strategy, do we vote against this amendment because we want the bill to be as bad as we can to affect it in the Senate. To Members opposed to this legislation, let me say that if you oppose this amendment you are saying "yes" that if this becomes law it should apply to nonunion members, employees, and nonunion companies.

Mr. Chairman, I reserve the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and members of the committee, I want to make it very clear that I have talked to the proponent of this amendment a number of times today, and I think he is very sincere in his amendment and what he believes the amendment would do and what he believes is the necessity that his amendment addresses.

□ 1550

Unfortunately, I feel he is mistaken in those beliefs and that what we have here is an amendment that would go to a bill that has as its primary purpose the closing of a loophole that lurked for decades out there and was ignored by labor relations people on all sides for many years, quite wisely in my opinion, until fairly recently. We started out saying we ought to close that loophole because it is a temptation for people to stir up litigation and difficulty that otherwise we could avoid.

I am fearful that the adoption of the gentleman's amendment opens a new kind of loophole that would be the same kind of a temptation for people to find an alternative to the peaceful resolution of their differences.

The purpose of the Edwards amendment is to give employers the unfettered right to hire permanent replacements in recognitional strikes.

Now, one of the problems we have is that the amendment that was put in the bill 2 years ago at the request of the present proponent of the amendment and others is now being amended by the Edwards amendment to strike from that amendment the language that appears on page 4 of the bill, lines 5 through 12.

Now, that got in the bill 2 years ago on the floor when we accepted the language that they thought would get to where I believe Mr. EDWARDS sincerely wants to go today.

Now they feel that it does not accomplish its purpose, and so they want to take part of it out.

The difficulty we have is that in trying to find that moment, that instant, the magic moment when you are either a union or a nonunion member. They have not found the right definition yet, and I am not so sure that I can write their amendment better than they have written it. So, it is no criticism of the draftsmanship.

Unfortunately, Mr. EDWARDS and I did not have an opportunity this time to work together as we did 2 years ago

on this amendment, and I am every bit as much at fault on that as anybody else. But I have to tell you honestly, as I told him a little while ago, "I can't get angry with you, Mr. EDWARDS, because we didn't get together, because I am not sure that I am smart enough to write what you think you want to do well enough to make it work."

Now, I am willing to admit that I do not know how to get the magic words to make it work. The thing that is kind of unfair, however, about his presentation is the suggestion that this legislation would somehow empower nonunion work forces with the same rights as if they belonged to a union. That is not true. I do not think he means to be understood that way, but you could very readily understand what he said about the question being whether nonunion employees are covered or not covered in that light.

The question is the difference between his view and my view of when you become a union employee.

Now, recognizing that recognition strikes, which are limited to 30 days' duration and after a waiting period, are not used by very many people and very often, but nevertheless are used, we in the bill said that if you are talking about the use of the recognition strike, you must have a petition for union representation in the bargaining unit signed by a majority of the workers. The existing rules of the NLRB only requires 30 percent of the workers to sign for the process. And most union members believe that, as this process goes forward, until such time as there is a breakdown in the process, they are members of the union that they are ultimately going to have representing them.

I have taken the time to check since we started this morning and find that in only about 15 percent of the cases of petitions for recognition does the employer bother to ask for a hearing before the National Labor Relations Board.

If that is the case, why such a big deal? Because, like a lot of other laws, we do not end up writing the law for what the majority of people of goodwill do, we have to write the law for the lowest common denominator, the chiseler. And the chiseler will take advantage of circumstances, as they have been doing in recent years, to prolong this process for as much as 3 years. Now, usually this whole process is over in 4 to 6 weeks. But it is only the goal of the law.

The fact of the matter is that, given the right combination of somebody who wants to operate on the slim margin of the technical requirements of the law instead of the intent and purpose of the law, you can stretch this process out for 3 years.

And so, under the gentleman's amendment, during that 3-year period he would not consider the people who were waiting to bargain with the employer to be union members. By all interpretations of the present law, they would be.

The practical effect of his amendment would be to turn those who presently consider themselves union members into virtual nonunion members. They would be second-class citizens under this law if it was amended by the Edwards amendment.

Now, we did not start out to disadvantage people who were trying to be represented by a union; we did not set out to force anybody to join a union, and we do not believe that our amendment to the National Labor Relations Act, in the form of H.R. 5, does either of those things. I cannot tell you that the Edwards amendment might not do both of them. And I do not think that is what Mr. EDWARDS wants any more than I want it.

I really do not in any way suggest anything but the finest of motives on the part of Mr. EDWARDS, and I know that he voted for this bill 2 years ago in good faith after we amended it as he and others had requested, and he has had time to look at it and feel that further amendment is necessary.

Well, this time I cannot go as far as he wants to go.

So there is no animosity between him and me with respect to this issue, and I do not ascribe any ulterior motive or sneakiness to this at all. I do not want anything I have to say to be construed in that fashion. I just have to tell you I think it would be very unwise for us to inadvertently create a new loophole that would cause new kinds of problems while we are trying to solve other problems.

For that reason I have to oppose the amendments and ask the Members to vote against it.

Mr. Chairman, I reserve the balance of my time.

Mr. EDWARDS of Texas. Mr. Chairman, I thank the gentleman for his very kind comments, and I want to express my appreciation for his graciousness in working with us under the very short time fuse on this issue.

Mr. Chairman I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman from Texas [Mr. EDWARDS] for yielding to me.

Back when I had a real life, I was an NLRB attorney. And so, therefore, I probably know more about this stuff than I ever wanted to know.

I think the gentleman's amendment makes a lot of sense, mainly because it draws a very, very bright line. What he does is just drop the second paragraph about the recognition disputes before they have been decided. And I think it is very hard to say someone recognizes you before you have really been decided that that union does recognize you.

I remember how complicated so many of these cases would be. Sometimes the cards that were turned in were found to be fraudulent because somebody got excited; sometimes employees changed their minds, and all sorts of things.

□ 1600

So if we adopt the gentleman's amendment, what it says is either the organization has been certified and recognized as the exclusive representative, or H.R. 5 does not apply. It is an either/or situation. It is a bright line. It is not a fuzzy line, and therefore I think it is much easier to implement. Now, some of these things that the distinguished chairman was talking about are absolutely true, but that is not the fault of anybody except the NLRB and now it has been allowed to slide down the slippery slope. It is like nailing jelly to the wall to get the NLRB to do any thing in the last 12 years. They have been very hesitant and they have really yielded mostly to employers' wishes.

Hopefully those days are over. I think keeping this very clear line so that people understand it will make a big difference.

One of the biggest problems we get into here is trying to be just a little vague to cover the broadest possible situations and then we end up with all sorts of bad law that we do not need on the books.

So I encourage people to look at the gentleman's amendment and support the gentleman's amendment. I think it is the right way to go.

Mr. EDWARDS of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Texas.

Mr. Chairman, like many of my colleagues, I have been contacted by a number of business-people expressing great concern about the scope of this bill As we know, this bill includes a provision that covers disputes between employees and their employer before any union has been certified or recognized as the bargaining agent for those employees.

Mr. Chairman, the business community has communicated its concern that this provision of the bill goes beyond protecting the legitimate rights of workers and will act as a Government sponsored recruiting device for labor organizations. I, too, am concerned that language in this legislation is unclear in regards to its protection of union and nonunion workers.

Mr. Chairman, in 1991 I supported the Workplace Fairness Act and I support it now because I believe that employees should not be fired, "permanently replaced", for exercising their right to join a union and engage in a lawful strike. However, it was also my under-

standing then that this legislation would apply to unionized employees only. This amendment would clarify any ambiguity in this area.

While I support this major thrust of H.R. 5, I believe that the business community has expressed a legitimate concern about this bill that we should address here and now instead of waiting for action by the other body. I urge my colleagues to support this amendment.

Mr. Chairman, as the gentleman may know, Georgia is a right-to-work State. Businesses in the Seventh District of Georgia are mainly nonunion. But some communities in Georgia have in the past been torn by strikes and permanent replacement firings. When the Eastern Airlines strike and bankruptcy occurred, thousands of families in Georgia lost their income; many lost their homes and retirement benefits. As Eastern's former employees attempted to make use of social services, the cost of job retaining and other services strained the resources of the local community and State.

Mr. Chairman, I believe that situations such as the Eastern Airlines strike and bankruptcy should be prevented. An individual worker who happens to be a member of a union should not be fired as the result of events that he or she often has no control over. I have always hoped that the legislative process that has brought H.R. 5 to this point would address these egregious instances of labor strife while fully respecting the small and nonunion businesses that are so very important to Georgia and the Seventh District. We have the opportunity to do what is fair and also encourage cooperation between employers and employees. Again, I urge my colleagues to adopt this amendment and continue to work for effective and balanced legislation in this area.

Mr. EDWARDS of Texas. Mr. Chairman, I yield 2 minutes to my colleague, the gentleman from Texas [Mr. GEREN].

Mr. PETE GEREN of Texas. Mr. Chairman, I rise in strong support of the amendment of the gentleman from Texas [Mr. EDWARDS].

Over the years that this piece of legislation has been debated, there has been confusion over whether or not it does or does not apply to workers in a nonunion workplace setting. We have been told that it does not.

Last year there was an effort to craft an amendment that would insure that it did not apply.

We have really three categories of workers. That is something of an oversimplification, but basically three categories of workers.

There are nonunion workers, workers who are not in an organizing phase.

There are nonunion workers who are in an organizing phase, and union workers.

Under H.R. 5 as it is presently written, it will cover the nonunion workers in an organizing phase and the union workers in a regular union shop.

If the amendment of the gentleman from Texas [Mr. EDWARDS] passes, it will insure that H.R. 5 does not apply to the nonunion workers in the organizing phase. I believe that is the understanding that many Members had of this bill all along.

I urge Members to support the amendment of the gentleman from Texas [Mr. EDWARDS]. It will clarify that this bill only applies to union workers in a union setting.

I believe it is an improvement in this bill, a bill that I think does tilt the balance against the American worker.

I do not support H.R. 5 as currently written or as amended, but the amendment of the gentleman from Texas [Mr. EDWARDS] will make the bill better.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield to me?

Mr. PETE GEREN of Texas. I will be glad to yield if I have the time.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GEREN] has expired.

Mr. FORD of Michigan. Mr. Chairman, I yield 1 additional minute to the gentleman from Texas.

Mr. PETE GEREN of Texas. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I would like to ask a question of the gentleman. I do not remember ever doing this before, I say to the gentleman from Texas [Mr. GEREN], but the gentleman voted against the bill 2 years ago, and I am sure the gentleman had good reason for it. I expect the gentleman to vote against it now.

If the Edwards amendment is adopted, will the gentleman vote for the bill on final passage?

Mr. PETE GEREN of Texas. No, I will not.

Mr. FORD of Michigan. Well, that is the answer.

Mr. PETE GEREN of Texas. I do not support H.R. 5, but if the amendment of the gentleman from Texas [Mr. EDWARDS] passes, the bill is better.

Mr. FORD of Michigan. But not enough better to get the gentleman's support?

Mr. PETE GEREN of Texas. No. In fact, there will be other speakers who will speak over the course of the next several minutes who share my opinion. They will vote against the bill on final passage, but they do believe the Edwards amendment will improve the bill so that it does not go as far as is currently written.

His amendment clarifies what many people thought was the original intent of the bill. It would not apply to nonunion workers.

Mr. FORD of Michigan. Well, Mr. Chairman, I thank the gentleman for his frankness, because I wanted to be sure if by opposing the Edwards amendment I was not losing the gentleman's vote on final passage.

Mr. PETE GEREN of Texas. The gentleman can be sure of that.

Mr. Chairman, I urge Members to support the Edwards amendment.

Mr. FORD of Michigan. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise today in support of the Cesar Chavez workplace fairness bill; and opposed to this amendment.

Today is the day to stand up for the American worker. We can show the workers of Eastern Airlines, Greyhound, and too many others that their struggle was not in vain. We can finally put an end to the 12-year legacy of antagonism and antiworker tactics.

It has been more than 4 years since I introduced one of the first bills to ban employers from permanently hiring replacement workers. We needed it then. We need it now. Workers going on strike should not have to put their jobs at risk—and the security of their families—as a price for fighting for fair pay, effective health benefits, and safe working conditions.

As a former regional director of the Department of Labor, in a Republican administration, I tell you this is vital to the integrity of the collective bargaining process. Do the right thing and vote against this amendment in and support of H.R. 5.

Mr. EDWARDS of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas [Mr. EDWARDS]. In my view, this is an argument about semantics and not about policy. The policy of H.R. 5 is clear. This legislation does not and is not intended to cover nonunion workers. In fact, H.R. 5 has not covered nonunion workers since the adoption in committee of the Williams-Boehlert amendment in the last Congress. That amendment was later clarified on the floor by the Peterson amendment which was repeated verbatim in the bill as introduced in the 103d Congress and remains a part of H.R. 5 today. In my view, the Edwards amendment is wholly unnecessary as a matter of policy and may produce unintentional, mischievous results if adopted.

Under the bill as reported, employees must file a certification petition and must have majority support for that petition 30 days in advance of a labor dispute to be protected under H.R. 5. If the petition is not otherwise contested by the employer, the NLRB can easily and regularly conduct elections within 30 days. In the event the union loses the election, the employees remain unprotected by H.R. 5.

Under the Edwards amendment, employees remain unprotected by H.R. 5 unless and until a union has been certified by the NLRB. The purpose of the Edwards amendment, like the Peterson amendment before it and the Williams-Boehlert amendment before that, is to exclude nonunion workers from the protection of H.R. 5. But, unlike the Peterson amendment, the Edwards amendment encourages employers to contest good faith efforts on the

part of workers to organize. In addition, if the employer can force employees onto the picket line while the employer is contesting the union certification, the employer can permanently replace those workers and defeat the union-organizing effort once and for all.

H.R. 5 is intended to ensure that employers may no longer use labor disputes as a means of unilaterally terminating the right of their employees to bargain collectively. The bill as reported, which includes the Peterson amendment adopted in the last Congress, ensures that this end is achieved while still excluding nonunion workers from the purview of H.R. 5. The Edwards amendment, if adopted, does not simply exclude nonunion workers. It also encourages unnecessary litigation and tempts employers to provoke labor disputes as a means of defeating the effort of workers to organize. I urge the defeat of the amendment.

Mr. FORD of Michigan. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I rise to oppose this amendment.

I think that we make a mistake with this amendment because we in fact provide them an incentive for dilatory tactics and for frivolous action against the organizing of a union by employees at a place of employment.

I think clearly now if the message is sent so that you can delay the operation of this law by thwarting the efforts to organize, it is an incentive to do that.

I think as we see now when people take out petitions and those petitions are in regular order and lawful, most employers recognize in fact that their place of employment will now be certified for that union representation and get on with the issues.

Very often the same issues that underline the concerns of employees and cause them to seek to form a union are the issues later that they may, in fact, have to negotiate with, and if negotiations break down, they can deal with it by using the tool of a strike or whatever methods they can use in those negotiations.

By taking this provision of the law, as suggested by the gentleman from Texas [Mr. EDWARDS], in fact, what we do is we frontload that process with all the antagonism, with all the legalistic maneuverings that we have witnessed over the past decade to try to keep a union from coming into being.

□ 1610

Mr. Chairman, I think that we ought not to do that, and we ought to get on with dealing with the issues that are underlying the reasons why the employees are seeking unionization of the working place, the organization of the working place, and, I think, lead to greater harmony in that working place than to go through the process of the amendment offered by the gentleman from Texas [Mr. EDWARDS]. I would hope that people would vote against this amendment, Mr. Chairman, and I thank the gentleman for having yielded the time to me.

Mr. FORD of Michigan. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I thank the gentleman from Michigan [Mr. FORD] for yielding this time to me and for the work he has done on this legislation.

Mr. Chairman, we have seen a distressing movement in this country in recent years to try to prevent workers from organizing, a very basic right that the men and women who are workers of this country fought for and finally obtained some years ago. Unfortunately the amendment offered by the gentleman from Texas [Mr. EDWARDS] would contribute to that because there are many delaying tactics that can take place from the time the workers have expressed, by a majority vote, that they want to be recognized. There are many challenges that can be brought by the employer to delay recognition of this vote that has taken place. What the Edwards amendment would do would be to permit permanent replacement of those strikers who had done everything that was required of them to be recognized as organized, and until they had actually been formally certified, they were fair game to be tossed out and permanently replaced. That is not an encouragement for there to be equal distribution of the pain and suffering that does take place when negotiations become tough. Instead it would be an additional incentive for employers to string out their workers in the negotiations.

Mr. Chairman, I very, very much urge this body to vote against the amendment offered by the gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS of Texas. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Chairman, H.R. 5, the strike breeder bill, would ban permanent replacement workers during an economic strike.

This is a terrible bill which will breed strikes and close businesses and that means jobs. Tens of thousands of hard-working Americans will lose their jobs.

The Edwards amendment effectively repeals the language known as the Peterson amendment which was attached to the bill in the 102d Congress.

The Peterson language would allow non-union members to receive the protections under the strike breeder bill if they simply sign a pledge for union representation. No recognition or certification of the union needs to occur to receive this protection.

I opposed the Peterson amendment when it was attached to the striker breeder bill 2 years ago.

I support the Edwards amendment to remove that language today.

Should the Edwards amendment pass, it would simply make an awful bill less terrible. It would only restore the language of the bill to where it was 2 years ago.

I opposed the bill in that form and I continue to believe that, with or without the Edwards amendment, the strike breeder bill is bad for this country.

Even the Carter administration rejected banning permanent replacements because Carter's people understood that it would increase strike activity and drive wages up without any productivity increase. Even the Carter administration understood that this would devastate the economy.

The United States is currently competing in tough global markets. This bill which prohibits employers from hiring permanent replacement during a strike of any type would lead to more strikes.

Our economy simply cannot endure the major upset that more strikes would bring.

Support the Edwards amendment and improve this bad legislation.

Mr. FORD of Michigan. Mr. Chairman, I yield one-half of my remaining time, 30 seconds, to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS of New Jersey. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas [Mr. EDWARDS].

The simple and correct theory of this bill is that, when people choose to organize and vest themselves of protection of the NLRA, they should be protected against replacement workers crossing the picket line. That protection should extend earlier in the process than the Edwards amendment would permit. For that reason, Mr. Chairman, I strongly urge us to defeat the Edwards amendment.

Mr. EDWARDS of Texas. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Chairman, Members, I voted for this bill the last time it was here, and I support strongly the amendment offered by the gentleman from Texas [Mr. EDWARDS] because it simply clarifies the law as it was intended to be drafted from the information that I have received. It does nothing to the theory that the right to withhold is a legitimate right of workers in this country. It merely clarifies the law as we know it.

Mr. Chairman, it is not much to ask that we pass the amendment offered by the gentleman from Texas [Mr. EDWARDS]. It would, again, be a clarifying amendment and one that would be beneficial, I think, to this idea that the right to strike means the right to strike by those companies that are organized.

Mr. EDWARDS of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and Members, the issue on this amendment is not whether my colleagues are for or against this legislation. The fact is people are going to support this amendment who both oppose and support the bill. The issue is very clear and very simple, my colleagues, and it is: "If you think this legislation should be allowed to cover some nonunion employees and nonunion companies in certain circumstances, then you should vote against my amendment, and there are Members of this House that respectfully believe in the right of organizing strikes, and, if you believe that way, vote against my amendment, and I will respect you for that position. On the other hand, whether you vote for this bill or vote against it, if your belief is that, if this were to become law, it should not apply to nonunion companies and to nonunion employees, then you should support the Edwards amendment."

Without getting bogged down in the legalese of labor law, that is the issue before this House on this amendment, and I would suggest that many Members who voted for this bill, who believe in the right to protect unionized workers from being fired if they go on strike, can support this amendment in good faith recognizing that they are still fighting for the rights of unionized employees, but, along with those that oppose the bill, they are simply saying, "We want to be absolutely clear, if you're not a certified union, you're not a certified union employee, this bill will not affect you."

□ 1620

Mr. Chairman, I wish to thank the gentleman from Michigan [Mr. FORD] for his courtesy in dealing with me on this issue.

Mr. Chairman, I yield back the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I yield myself my remaining time.

Mr. Chairman, there is clearly a misunderstanding here about when a person becomes a member of a union. I suppose we could agree that most of us believe that when you start paying dues and join an organization, that makes you a member. They do not start paying dues 2 years after they sign up in a union. If you have got an unruly employer who is trying to stretch the process out, you start paying dues when you sign up to have a union. These people we are talking about as nonunionized people are already dues-paying members of a union with an identification with the employee bargaining unit.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. EDWARDS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. EDWARDS of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 94, noes 339, not voting 5, as follows:

[Roll No. 222]

AYES—94

Allard
Applegate
Bacchus (FL)
Baesler
Baker (LA)
Ballenger
Bentley
Bevill
Bilbray
Bilirakis
Blute
Bonilla
Boucher
Brewster
Browder
Buyer
Clement
Collins (GA)
Combest
Condit
Cramer
Darden
Deal
DeLay
Derrick
Dickey
Dooley
Doolittle
Duncan
Edwards (TX)
English (OK)
Fawell
Franks (NJ)
Geren
Hall (TX)
Hayes
Hefley
Hefner
Herger
Horn
Houghton
Huffington
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Johnson (CT)
Johnson (GA)
Johnson (SD)
Kolbe
Lambert
Laughlin
Lewis (FL)
Livingston
McCollum
McCurdy
Minge
Montgomery
Neal (NC)
Ortiz
Parker
Payne (VA)
Penny
Pickle
Price (NC)
Regula
Rohrabacher
Rose
Rowland
Santorum
Schroeder
Shaw
Sisisky
Skaggs
Slattery
Smith (MI)
Smith (OR)
Spence
Spratt
Stenholm
Tanner
Tauzin
Taylor (MS)
Tejeda
Thomas (WY)
Thornton
Thurman
Valentine
Whitten
Young (FL)

NOES—339

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Archer
Armey
Bachus (AL)
Baker (CA)
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Bateman
Becerra
Beilenson
Bereuter
Berman
Bishop
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Brooks
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Byrne
Callahan
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clinger
Clyburn
Coble
Coleman
Collins (IL)
Collins (MI)
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Crane
Crapo
Cunningham
Danner
de la Garza
de Lugo (VI)
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Dornan
Dreier
Dunn
Durbin
Edwards (CA)
Emerson
Engel
English (AZ)
Eshoo
Evans
Everett
Ewing
Faleomavaega (AS)
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Frost
Furse
Gallegly
Gallo
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hamburg
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoekstra
Hoke
Holden
Hoyer
Hughes
Jacobs
Jefferson
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Klug
Knollenberg
Kopetski
Kreidler
Kyl
LaFalce
Lancaster
Lantos
LaRocco
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (GA)
Lightfoot
Linder
Lipinski
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Mink
Moakley
Molinari
Mollohan
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (MA)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Orton
Owens
Oxley
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Pelosi
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Ravenel
Reed
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Romero-Barcelo (PR)
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Saxton
Schaefer
Schenk
Schiff
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shays
Shepherd
Shuster
Skeen
Skelton
Slaughter
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Stark
Stearns
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Taylor (NC)
Thomas (CA)
Thompson
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Watt
Waxman
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Zeliff
Zimmer

NOT VOTING—5

Barton
Henry
Rangel
Solomon
Stokes

□ 1642

Messrs. GALLEGLY, KIM, GREENWOOD, LANCASTER, and BEREUTER, Ms. SHEPHERD, and Mr. WELDON changed their vote from "aye" to "no."

Messrs. INHOFE, LEWIS of Florida, YOUNG of Florida, BILIRAKIS, PAYNE of Virginia, INGLIS, BEVILL, and HERGER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. STOKES. Mr. Speaker, during rollcall vote No. 222 on H.R. 5, I was unavoidably detained. Had I been present I would have voted no.

The CHAIRMAN. It is now in order to consider Amendment No. 2, an amend-

ment in the nature of a substitute, printed in House Report 103–129.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. RIDGE

Mr. RIDGE. Mr. Chairman, I offer an amendment, in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. RIDGE: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Collective Bargaining Protection Act of 1993".

SEC. 2. RESTRICTION ON HIRING OF REPLACEMENT EMPLOYEES DURING ECONOMIC STRIKES.

Section 8(a) of the National Labor Relations Act (29 U.S.C. 158(a)) is amended—

(1) by striking the period at the end of paragraph (5) and inserting ", or"; and

(2) by adding at the end the following new paragraph:

"(6) to offer or grant the status of permanent replacement to an individual for performing bargaining unit work for the employer, during an economic strike between the employer and the labor organization that is the certified or recognized exclusive representative involved in the strike, for a period of 10 weeks, in the aggregate, on or after the date of hiring the first replacement employee with respect to each bargaining agreement between the employer and such organization.".

SEC. 3. SECRET BALLOT.

Section 8(b) of the National Labor Relations Act (29 U.S.C. 158(b)) is amended)—

(1) by striking the "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

(3) by adding at the end the following:

"(8) to call for an economic strike unless a referendum is conducted by secret ballot directed and certified by the Board with a majority of the employees in the bargaining units affected voting to conduct such a strike.".

SEC. 4. ELECTION PERIOD.

The second sentence of section 9(c)(3) of the National Labor Relations Act (29 U.S.C. 159(c)(3)) is amended by striking "twelve months" and inserting "eighteen months".

SEC. 5. PREVENTION OF UNFAIR LABOR PRACTICES.

Section 10 of the National Labor Relations Act (29 U.S.C. 160) is amended by adding at the end the following:

"(n) Whenever, during an economic strike in which replacement employees are hired, it is charged that any person has engaged in an unfair labor practice under subsection (a) or (b) of section 8 and such charge has been filed before an employer hires a replacement employee, the preliminary investigation of such charge shall be given priority over all other cases except cases of like character in the office where it is filed or to which it is referred. If, after such investigation, the officer or regional director to whom the matter was referred has reasonable cause to believe such charge is true, such officer or director shall issue a complaint before the expiration of the 10-week period referred to in section 8(a)(6).".

SEC. 6. FUNCTIONS OF THE SERVICE.

Subsection (b) of section 203 of the Labor Management Relations Act, 1947, is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2) In any economic strike where the employer has hired a replacement employee and such strike affects commerce, the service shall proffer its services to the parties to the strike.".

SEC. 7. PREVENTION OF DISCRIMINATION DURING AND AT THE CONCLUSION OF RAILWAY LABOR DISPUTES.

Paragraph Four of section 2 of the Railway Labor Act (45 U.S.C. 152) is amended—

(1) by inserting "(a)" after "Fourth"; and

(2) by adding at the end of the following:

"(b) No carrier, or officer or agent of the carrier shall offer, or grant, the status of a permanent replacement employee to an individual for performing work in craft or class for the carrier during a dispute involving the craft or class and which is between the labor organization that is acting as the collective bargaining representative involved in the dispute for a 10-week period beginning on the date of the hiring of the first such individual.".

The CHAIRMAN. Pursuant to the rule, the gentleman from Pennsylvania [Mr. RIDGE] will be recognized for 15 minutes, and a Member opposed to the amendment, the gentleman from Montana [Mr. WILLIAMS], will be recognized for 15 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it has been 5 years running now that this House has debated the issue, the very controversial issue of permanent replacement workers, 5 years of bookend proposals that would lead many in this body to believe that we only have two choices before us today: That we can either ban the use of permanent replacement totally, or we can simply sustain the status quo; 5 long years of an "are you with me or are you against me" attitude on the issue that has made this Member, for one, a little tired of it all. The time has come to move on, to deal with the realities not only of the political marketplace but the changing marketplace in the real world and the workplace. The time has come to support the Collective Bargaining Protection Act, which is the amendment before the Members today. People's livelihoods are at stake, and the fact is that without a compromise, without a compromise, nothing will get accomplished.

□ 1650

Without a compromise, the working men and women of this Nation will be left at the end of the day, at the end of the day with exactly what they have gotten from this body on previous occasions: spirited debate, highly controversial, but no greater protection, no more rights, no greater job security. They will have their vote in the House of Representatives, but that is all they will get.

You cannot put food on the table, you cannot pay the bills, and you cannot keep a roof over your head with a vote in the House of Representatives.

Recognizing that a problem exists does not necessarily compel one to the conclusion that banning replacements permanently is the answer. It is not.

If there is an imbalance in favor of one party in the collective bargaining process, collective action does not mean that you create an imbalance in favor of the other party in the process. So today we seek a third way.

My colleagues, the gentleman from New York, [Mr. HOUGHTON], the gentlewoman from Maine, [Ms. SNOWE], and the gentleman from Wisconsin, [Mr. GUNDERSON], and I have fashioned what we believe is a fair solution that will restore the balance in labor relations. Our substitute establishes a 10-week cooling-off period triggered by an employer's hiring of the first replacement employee. It offers time for the parties to sit down, to roll up their sleeves and bargain the way the process is designed and supposed to work.

For good measure, we direct the Federal Mediation and Conciliation Service to offer its assistance to the parties to settle their dispute, to settle their dispute through negotiations. Everything we have done historically in the area of labor law and labor reform law has been to encourage the parties to resolve their disputes, to resolve their disputes, not facilitate them.

We also require the National Labor Relations Board to expedite those unfair labor practices filed before replacements have been hired in an attempt to ensure that workers are not denied the full protection of labor laws to which they are entitled.

Overall, I believe our approach is a fair and balanced one. Both sides before this takes place exercise the two options, the two weapons they have in the collective bargaining process. Labor has to decide they are going to strike. Management has to decide they are going to use and hire replacement workers with a possibility that they will become permanent replacement workers. A company would be able to conduct business, and if no resolution is reached by the end of 10 weeks, still retain the right to make the replacements permanent. But it encourages the parties to get back to the negotiating table, to do what is in the long-term best interest of all parties, and that is to resolve the differences, and to settle the labor dispute.

My colleagues, the time has come to move beyond an all-or-nothing approach. That will not do any worker, any family involved in this situation any good. It is time to look for a compromise that is workable, that is doable, and that restores some equilibrium and balance to the collective bargaining process.

America's working men and women deserve better from this Chamber than they have gotten in the past. They deserve a balanced and fair solution, one that is fair to workers and employers

alike. And I encourage my colleagues on both sides of the aisle to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. WILLIAMS. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon [Mr. KOPETSKI].

Mr. KOPETSKI. Mr. Chairman, I rise in strong support of H.R. 5, the Cesar Chavez Workplace Fairness Act.

Mr. Chairman, it is unfortunate for labor relations in our country that this important and much-needed legislation was not enacted last session. For the past 12 years, the two previous administrations have allowed equity and fairness in labor-management relations to melt away. For 12 years, an openly anti-labor Executive Branch took every opportunity to increase management's strength to the detriment of working men and women and their families.

Mr. Chairman, opponents of this legislation state that for the past 50-plus years we have allowed permanent replacement of striking workers, and that there is no reason to change this now. This argument is simply specious. Public policy does not rest on tradition; it responds to the dynamics of a changing world. The argument ignores the fact that more and more, management is using and threatening use of permanent replacement workers as a means of getting rid of labor unions.

According to the General Accounting Office, two out of every three employer representatives say permanent replacement workers were used more often or far more often in the late 1980s than in the late 1970s. The report also found that one quarter of surveyed employers said they would use permanent replacements. A 1989 study found that strikes last a mean of 363 days when management uses permanent replacements. When management uses temporary replacements, strikes last a mean of only 72 days.

Mr. Chairman, to regain our country's competitiveness we must foster cooperation between labor and management. Both sides must work together. If one side can effectively opt out of the labor dispute resolution process by permanently replacing the other side, cooperation isn't going to happen.

Mr. Chairman, labor-management law and practice should be a balancing act. Neither side should have an advantage over the other. Each side should have certain advantages, but on balance each's power should be equal. Today, because of the relatively new but extensive use of replacement workers, the balance of power in strike situations has tilted clearly in favor of management. H.R. 5 restores that balance.

Mr. Chairman, opponents of this bill argue that prohibiting the hiring of permanent replacement workers will create all kinds of strikes. They even call this the Pushbutton Strike Bill. These people aren't playing with a full deck. The American worker, who is making less today in real wages than in 1965, whose real hourly wages have dropped almost 7 percent since 1980, does not nor will not go on strike and give up a regular wage just for the hell of it. How do they think all these push button strikers would survive? Voting to authorize and to go on strike is one of the most painstaking decisions a worker faces. A "yes" vote is much more difficult than a "no" vote.

Mr. Chairman, we passed H.R. 5 last session, but our efforts were stonewalled by a veto threat. We must move forward with this bill again on behalf of the American worker. Siding only with management, as the Reagan and Bush administrations of the last 12 years did, clearly has not worked. I am convinced that we now need to try focusing again on achieving a balance in our collective bargaining law and practice. This bill is a significant step in this direction. I urge my colleagues to vote for H.R. 5.

Mr. WILLIAMS. Mr. Chairman, I yield myself such time as I may consume for purposes of a colloquy with the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield to the gentleman from Florida.

Mr. PETERSON of Florida. Mr. Chairman, H.R. 5 provides in part that employees engaged in a strike are protected from permanent replacement if their union at least 30 days prior to the commencement of the dispute has filed a petition pursuant to section 9(c)(1) on the basis of written authorizations by a majority of the unit employees, and the Board has not completed the representation proceedings.

I have two questions about this statutory language.

First, the act provides that the NLRB is to hold representation elections in a unit appropriate for the purposes of collective bargaining. What is the intent of H.R. 5 where the Board determines that the representation is to be dismissed because the bargaining unit is not an appropriate unit?

Mr. WILLIAMS. In the situation the gentleman has just stated, the employees who are engaged in such a strike would not be entitled to the protection of H.R. 5. The point of the bill is to protect employees where a representation petition on which the Board is empowered by the act to hold an election has been filed and where there is a delay in the holding of the representation election. Where the Board, after a representation petition is filed, determines that the petition is improper on inappropriate unit grounds, just as where a strike begins without the filing of a representation petition, the conditions stated in the bill are not satisfied and the protections the bill provides to employees on strike are not available.

Mr. PETERSON of Florida. Turning not to another of the conditions stated in the language I read a moment ago, the bill provides that the representation petition must be supported by written authorization by a majority of the unit employees.

What is H.R. 5's intent if the Board determines that because of the total number of employees in the relevant appropriate unit, the petition is not supported by written authorizations by a majority of the unit employees in that appropriate unit?

Mr. WILLIAMS. My answer to your second question follows from my answer to the first. As you quite properly recognize, the requirement that the representation petition in question be supported by written authorizations by a majority of unit employees is one of the several conditions that must be satisfied for the employees on strike to be entitled to the protections of the bill. Thus, once again in the situation the gentleman describes, the employees on strike would not be entitled to the bill's protection.

Mr. PETERSON of Florida. Mr. Chairman, I thank the gentleman for that clarification.

Mr. RIDGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman, my decision to oppose H.R. 5 is based upon my commitment to job growth and economic recovery. This legislation threatens to upset the balance between the rights of labor and the rights of management developed over the past half century. H.R. 5 will allow an aggressive union to force some companies out of business.

It's ironic that Government over-regulation and high taxes have reduced business expansion and jobs, and now in an effort to protect workers during this period of decreased job opportunities, Congress is passing additional regulations which will only further depress job growth. We all should be making a greater effort to develop the kind of laws and working conditions that will help business be more competitive so that good jobs will be more available.

For many workers, it is a very vulnerable time right now, and there are some companies that treat their employees unfairly. Congress should reform some labor laws, especially the arbitration process used to examine claims of unfair labor practices. In many cases, the National Labor Relations Board [NLRB] takes years to inform strikers that they were improperly replaced and entitled to reinstatement. By this time, workers have already suffered the pain of displacement and economic hardship, and I am working to eliminate these unacceptable delays. But passing H.R. 5 is like trying to cure a headache with a lobotomy.

Mr. RIDGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. EWING].

Mr. EWING. Mr. Chairman, I rise in opposition to H.R. 5.

Mr. Chairman, last month the Aviation Subcommittee held hearings aimed at evaluating the impact H.R. 5 would have on the airline industry and I appreciate the opportunity to address this issue. I approached those hearings with an open mind because there are few industries which need a boost as much as the airline industry. After hearing from both sides of this issue, however, I remain convinced that the striker replacement legislation is not only the wrong policy for the airline industry but

that all industries would suffer under this legislation.

This Congress needs to be passing laws which will help businesses compete, not ones which will make it more difficult to survive. If H.R. 5 becomes law, 50 years of thoughtful precedent will be thrown out and the balance of power in labor-management negotiations will be shifted inequitably toward labor. This move would be harmful for all parties.

Every year there are thousands of collective bargaining agreements negotiated peacefully not because one side has more power than another but because there is built into our labor laws a balance of power. When that balance is lost, the system does not work. Under our current system, labor brings to the negotiating table the possibility of strike and management's tool is the threat of replacement. This balance has worked well and I believe it has prevented strikes. When the system does not work, more people lose their jobs and more companies go out of business. It is a lose-lose situation and one this House should refrain from endorsing.

The airline industry is a perfect example of why this is so. Over the past 3 years, the major airlines have lost nearly $10 billion. No one needs to be made aware of the dire straits many airlines are in. Upsetting the labor-management balance of power would only make more unstable an industry which desperately needs some stability.

As was clearly evident from testimony we received before the Aviation Subcommittee, many airline strikes were avoided because management had the ability to replace workers. When strikes did occur, if the airlines did not have the ability to replace these workers, strikes may have gone on endlessly and some airlines may not have survived. Given those circumstances, it would be unwise to further erode the balance of power which now exists. Just as I would not take away the right of workers to strike, I would not take away the right to hire replacements in order to keep a business running.

Mr. Chairman, I realize that this issue is an emotional one and I hope that it can be approached with a clear head. This debate should not focus on who is prolabor and who is pro-management but rather on what policies will encourage our economy to grow and create good jobs at good wages. Labor and management must work together, not against each other. This bill will upset the negotiating balance and further drive a wedge between labor and management. If we keep that objective in mind and focus on the facts, then I think that the conclusion must be reached that H.R. 5 is the wrong bill at the wrong time.

Mr. ROEMER. Mr. Speaker, I rise in support of H.R. 5, the Cesar Chavez Workplace Fairness Act, which bans the hiring of permanent replacements for workers engaged in economic strikes. This legislation is virtually identical to the bill that passed the House in the last Congress by a vote of 247–182.

When Congress passed the National Labor Relations Act in the 1930's, it guaranteed the right of workers to organize, to join unions, and to strike without fear of reprisal by their employers. In recent years, however, the right of employees to strike when they are unable to reach a collective bargaining agreement with employers has been undermined because employers are permitted to hire permanent replacements. As a result workers risk losing their jobs every time they engage in a strike for economic reasons.

Under current law, employees are unfairly disadvantaged in the collective bargaining process over economic issues because the employer is permitted to hire permanent replacement workers if there is a strike. However, striking employees may not be permanently replaced in a strike where unfair labor practices are at issue. In the case of an economic strike, striking employees who have been replaced do not have to be rehired when the strike is over—they are afforded only preferential consideration for positions that become vacant in the future.

In very recent times, those employees who exercised their right to strike have been permanently replaced after years of loyal service with an employer. Some of the highly publicized strikes included Eastern Airlines, TWA and Greyhound. Those workers expected that their jobs would continue after the strike had been settled and that their jobs would be protected under the National Labor Relations Act. Instead, they face financial ruin and other personal hardships, both now and for the future. The devastating consequences borne by these employees can extend to jeopardizing their homes because they are unable to make their mortgage payments. The personal and emotional stresses have lead in some cases to the break up of employees' families. Strikes can adversely impact local communities as well. Irreparable anger among strikers, permanent replacements and the company can threaten to destroy a community long after a strike has been settled.

Studies show that, in the past decade, employers have increasingly utilized the right to hire permanent replacements. This fact is highlighted by findings published by the General Accounting Office [GAO] which demonstrate that since 1985, employers have used or have threatened to use permanent replacements in one out of every three strikes in this country. Thus, H.R. 5 is needed to restore an emerging imbalance in labor-management relations. Permitting employers to hire replacement workers on a permanent basis in the event of an economic strike is tantamount to discharging or firing employees for exercising their lawful right to strike if they are unable to reach an agreement in the collective bargaining process.

I recognize that the business community has concerns about this legislation, Mr. Chairman, and that nonunion companies, in particular, are worried that this bill will apply to them. In order to address the concerns of the business community, a provision was incorporated in the bill in the last Congress to clarify that H.R. 5 does not apply to nonunion companies, which includes most small businesses.

It is my view that the abolition of hiring permanent replacement workers will not be an incentive for employees to strike more frequently. Aside from the economic disincentive of lost wages and benefits, there is the emotional uncertainty of not knowing how long the strike will last or when life savings will be depleted. Furthermore, a prohibition of permanent replacements will not ensure that a given union will prevail over management in an economic strike.

Workers do not strike frivolously or because they want to. They do not risk everything for cavalier reasons. They do so because they feel that their futures must be protected, and they do so at considerable personal financial risk. Under this legislation, employers can continue to operate during a strike by transferring nonstriking employees, managers, and supervisors. They can subcontract work, and they may rely on stockpiled inventories. Most importantly, the bill does not affect an employer's right to use temporary workers during a strike. This bill simply ensures that the hiring of replacement workers is indeed temporary and subject to the return of striking employees.

Mr. Chairman, this legislation is about fairness in the collective bargaining process and about restoring an even balance to labor-management relationships. We need to work toward an improved and communicative labor-management relationship. This is a question of our competitiveness, our productivity, and our economic strength. It is an important step in protecting a worker's fundamental right to strike, and I urge my colleagues to support this bill.

Mr. RIDGE. Mr. Chairman, I yield 1½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the Ridge substitute as a reasonable compromise on H.R. 5. I believe this proposal, which provides for a 10-week moratorium on the hiring of permanent replacements, will help facilitate the resolution of labor disputes, while not imposing an undue burden on either labor or management.

While I am very much opposed to H.R. 5, I believe that we are facing intractable problems in labor-management reactions which can be addressed in part by the approach my colleague, Mr. Ridge, takes on the issue of permanent replacements. There is acknowledgment that all is not right in the execution of labor-management negotiations. The Ridge substitute allows the strike decision to be taken without undue pressure from the threat of immediate permanent replacement and, in all other respects, allows current law to operate after the 10-week period.

It also begins to address the serious problem of case-processing delays at the National Labor Relations Board which is rendering the remedies that are available to employees under current law ineffective.

I believe those remedies are adequate. However, inordinate delays at the NLRB in processing cases of unfair labor practices can serve to deny those remedies to employees on a timely basis. The Ridge substitute would begin to address this problem by requiring the Board to expedite its investigation of unfair labor practice charges in the context of economic strikes where replacement workers are hired and to issue a complaint on such charges before the expiration of the 10-week moratorium period.

It is time we got the National Labor Relations Act working as intended. The Ridge substitute would be a step in that direction.

In fact, the Commission formed by the Secretary of Labor would do well to add the issues encompassed by this replacement workers debate to its agenda. Labor law is in need of reform and NLRB and the issues of permanent replacement workers should be at the heart of that reform.

Mr. RIDGE's amendment begins the effort toward cooperation and diverts us from the confrontations of the past several years.

Mr. Chairman, I support the Ridge substitute, and I urge my colleagues to vote for its adoption.

□ 1700

Mr. WILLIAMS. Madam Chairman, I yield myself 3 minutes.

My colleagues, I urge you to oppose the Ridge amendment. In a nutshell, this is what it says: If the strike goes on long enough, you can fire the workers, but you have to make sure the strike lasts long enough.

So if you like short strikes, you do not want to do anything to encourage longer strikes, then vote against Ridge, but if you so want to have workers fired that you are even willing to let a strike go 10 weeks, then vote for Ridge, because that is the choice in front of you.

Strikes go a long time occasionally in this country. The gentlewoman from New Jersey just mentioned the Greyhound strike. The workers would have been fired under the Ridge amendment in the Greyhound strike. We all remember the Eastern strike. It went long enough that, under the Ridge amendment, all of those people at Eastern would have been fired. Imagine the catastrophe and the loss of health care benefits and retirement and all the rest for those airline employees, many who have worked for many, many years. All of that would be lost. Those people would have been fired under the Ridge amendment.

I think the Ridge amendment encourages strikes to be longer than they would normally be. Why? Because if you want to really punish the workers, as Greyhound and Eastern apparently did, the way to do it is make sure those strikes last for the 10 weeks necessary to come in under the Ridge amendment, and then those people who have sacrificed with no wages, no health care benefits for 10 long weeks lose everything.

I think that the gentleman's proposal is antiworker.

He now wants to do another thing; the gentleman would do another thing in here, and that is require secret-ballot votes before a strike can take place. Many unions have that requirement now in their constitution.

Do you really want the Government of the United States, the Congress of the United States, the Federal Government, Big Brother to reach into the constitution of union members and write it for them? That is what the gentleman's amendment would do.

Do we want to require that same thing of companies? Do we want to tell the stockholders how to deal in a labor dispute that they must do it by a 51-percent vote or a two-thirds vote of the stockholders in order for management to work a certain way? The gentleman does not go that far. He only requires the workers to kneel before the altar of the Ridge amendment and rewrite their constitution the way he would have them do it.

Mr. Chairman, I reserve the balance of my time.

Mr. RIDGE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of the Ridge substitute. I have had the pleasure of working on this amendment with Mr. RIDGE, Mr. HOUGHTON, and Mr. GUNDERSON. It is a reasonable compromise similar to one that we tried to offer last year but which was rejected by the Rules Committee.

Today, we consider a fundamental change in the structure of labor-management relations that has existed for more than 50 years. A change this profound must be carefully considered, and must reflect on the totality of our experience over this past half century.

I have firsthand experience of the issues being discussed here. In 1987, the workers at five International Paper Co. plants across the country decided to strike at once. In quick response to the strike, the company hired approximately 1,000 permanent replacement workers at its mill in Jay, ME, in my district.

What ensued was one of the most contentious and tragic episodes in my State's history. It was a dispute so hostile yet so personal. Family members and lifelong friends found themselves on opposing sides in a wrenching scenario reminiscent of civil war. Lives were shattered and changed forever over this dispute, Mr. Chairman. Nobody won, and everyone lost.

The problem in this case was that the fevered emotions on both sides never had a chance to abate, and beating the other side became the focus, not solving the impasse. There was never time, nor the opportunity, to get a good perspective of the issues at hand. Use of permanent replacement workers did play a role in the escalation of this situation, but will banning replacements address the problem?

No. I would suggest that in fact it will skew the balance, and remove a powerful deterrent to strikes. Business would be unfairly disadvantaged. What was needed in Jay, ME, and other places was a cooling-off period, a chance for both sides to take a second look at their disputes without immediate threats hanging over their heads.

Based on this experience, as well as another contentious strike at a Boise Cascade mill in Rumford, ME, I have come to the conclusion that the Federal Government should keep its role in labor disputes firm and fair but simple: Maintain a level playing field and encourage collective bargaining and peaceful resolution. Indeed, I believe this was the original intent of the National Labor Relations Act.

That is why Mr. RIDGE, Mr. HOUGHTON, Mr. GUNDERSON, and I have devised the amendment before us. This amendment establishes a 10-week cooling off period designed to encourage labor-management negotiation. If the dispute remains unresolved at the end of 10 weeks, however, business can hire permanent replacements—a right it has held for more than 50 years.

The Ridge substitute maintains equilibrium between the two sides and provides a mutual deterrent. But it also provides strong encouragement to collective bargaining, negotiation, and peaceful resolution. It seeks to stimulate good faith negotiation by both sides in a dispute, requiring them to work out their differences rather than resort to confrontational tactics.

Mr. Chairman, the Ridge substitute is a reasonable compromise, and I urge my colleagues to join me in supporting it.

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman and Members of the House, we must reject this amendment.

This is not a cooling-off period. This is an effort to put a dagger right into the heart of the weapon that workers have, and that is the strike.

This gives the employer the ability to stockpile inventory, to send out product, to train supervisors, to bring replacement workers on site, to train those replacement workers as we saw in the Greyhound strike, and then bring them in and initiate a 10-week period where the worker is at the total mercy of the employer. That is not a cooling-off period.

Let us not pretend how employers are surprised by these strikes, because, in fact, in most arrangements there is good-faith negotiation that takes place before. But what this says is that the employer gears up for the strike, lasts out 10 weeks, and simply then discharges the workers on a permanent basis, the exact practice that this law is designed to stop because of its unfairness to the American worker.

During those 10 weeks, those workers go without pay, their mortgages go unmet, they may lose their health insurance, their children's education is threatened, but the employer has the

ability, if he so desires, to make sure that his stream of income is protected, to make sure that replacement workers are trained to handle the job.

Come to my district, and when the oil industry thinks that they are going to take a strike, they move in the 40-foot trailers, they move in the kitchens, they move in the beds, they move in all of the training personnel that they need, they get the supervisors to go along, and they are ready to take the strike.

What this would say after 10 weeks of that activity is that they could discharge those workers. No matter what their grievance, no matter the good faith of the bargaining, no matter how egregious the concerns of the workers might be, they could simply be discharged under the Ridge amendment. This is the most antiworker amendment we have had presented on this floor over the last many years.

Mr. RIDGE. Mr. Chairman, I yield myself such time as I may consume.

I would like to remind my colleagues that the 10-week cooling-off period does not begin with a calling of the strike. The 10-week cooling-off period begins when replacement workers are called in. Replacement workers have been called in, the last GAO study, 1985 to 1989, in 17 percent of the cases, and permanents were only used in 4 percent of the placements.

So the idea that people will start using replacement workers immediately is just inaccurate, and the idea that the focus is antiworker is not. We want to get people back to the bargaining table.

Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, I rise in opposition to H.R. 5 and in support of the amendment in the nature of a substitute now before the House.

LABOR LAW REFORM, YES/H.R. 5, NO

Mr. Chairman, I have been consistent over the years—5 years now, in fact—in arguing that it is high time that Congress engage in a comprehensive review and reform of U.S. labor law, including the law governing the use of replacement workers. I was probably one of the few Members on my side of the aisle that actually responded optimistically to the news that Labor Secretary Reich was convening a commission on labor law reform.

Many of my colleagues, as well as interested parties in the private sector, have cautioned me against making such suggestions or supporting such efforts. They are convinced that from the standpoint of labor market efficiency and national economic competitiveness, any reforms that emerged from this body would make matters worse, and not better. H.R. 5 is a powerful example of precisely the kind of labor law reform that many of them fear.

OBJECTIVE: A FAIR BALANCE, NOT AN OPPOSITE AND GREATER IMBALANCE

The overriding objective of the National Labor Relations Act is to ensure fairness and balance in relations between American workers and their employers. It is the intent of the law that employers and employees settle their differences in good faith and at the bargaining table, not along the picket line. Matching the right of workers to organize and to strike with the employers right to hire permanent replacement workers in economic strike situations was and remains a key to that objective.

For the most part the law has worked as intended. I say for the most part because it has obviously not provided for perfect balance or absolute justice. I will be among the first to concede that in the past several years we have seen a small but still troubling number of instances which suggest that the balance which the law intends has shifted in favor of employers. There have been instances where employers have abused the law—specifically their legal right to hire replacement workers in certain strike situations—to undermine unions and to avoid their legal obligation to bargain in good faith. Frank Lorenzo comes most immediately to mind but there have been others. The answer to this problem, however, does not lie in kicking the foundation out from under the law.

The substitute attempts to deal with the Lorenzo's of the world, restore balance, and prevent future abuses. H.R. 5, on the other hand, attempts to create a far greater imbalance in the other direction. Rather than addressing the problem at hand, it seizes on that problem as an opportunity to serve the much broader interests of one particular constituency—organized labor—at the expense of the majority of American workers and employers.

FOUNDATION OF CURRENT LAW REMAINS ESSENTIALLY SOUND

I approach this issue from the perspective of one who believes that existing law, which allows the hiring of permanent replacement workers in economic strike situations, is basically sound. It is consistent with the intent of Congress when it passed the National Labor Relations Act in 1938; it has been affirmed by the courts; and—by far of greatest importance—it has been critical to the overall success of the collective bargaining process in this country.

Contrary to what many of the proponents of H.R. 5 would like us to believe, the National Labor Relations Act never intended to allow employees to shut down a business for any reason without incurring risk. Rather, the predominant concern of the act's authors was to balance the power and interests of workers and managers in order to facilitate collective bargaining and the negotiated settlement of labor-management disputes. Workers would be protected against unfair labor practices by their employers, but at the same time employers would be protected against unfair and unreasonable compensation claims by their employees. Toward this end, there is ample evidence that Congress recognized and affirmed that the right to strike was not an unqualified right when it passed the NLRA in 1935.

In 1938 the Supreme Court, in deciding National Labor Relations Board versus MacKay Radio & Telegraph Co., explicitly recognized the right of employers to hire permanent replacements in economic strike situations. In the years following that decision, Senator Robert Wagner of New York, the NLRA's principal author and one of the greatest friends that the American working person has ever had, stated that:

> Every step that the Supreme Court has taken toward clarifying the meaning, and defining the scope of the Act has made it easier for workers and employers to deal successfully under its provisions.

Senator Wagner's definition of dealing successfully obviously did not mean the right of one party to a dispute over wages or working conditions to insist upon their own position free from economic risk. Good faith negotiation, and not exchange of ultimatums, was what the law intended.

H.R. 5 PROPONENTS FAIL TO MEET BURDEN OF PROOF FOR RADICAL CHANGE

For more than 50 years the wisdom of Congress and the courts with respect to the specific issue of replacement workers has been generally accepted. And why? Because it has—not in every instance but in general—worked.

Those who would toss it aside bear a very heavy burden of proof in this debate and, quite frankly, they have failed to meet that burden.

Let's look at the facts. Most generally, we need to ask if our labor law—by empirical measurement—is failing to provide the framework for constructive engagement and negotiated dispute settlement that it was intended to provide? The answer is clearly no. Worktime lost to strikes is today at an historically low level—0.01 percent. That's one-eighteenth of the 1968 level. Disputes brought before the NLRB are today being settled amicably 86 percent of the time, and 90 percent of NLRB decisions are being sustained in the courts—in each case a 12 percent improvement over 1968 levels.

I refer to 1968 because at that time organized labor pointed to this precise data to argue that the NLRA was working well and that labor law reform was unnecessary. Clearly, if labor advocates were satisfied with the overall working of the law in 1968, they should be even more content today.

Let us turn from the broad to the more narrow concern of H.R. 5. Has the hiring of replacement workers in-

creased? Do we have evidence that American business has suddenly in the last decade turned more frequently and capriciously to the use of replacement workers? Again, the answer is no.

Proponents of H.R. 5 were disappointed when the General Accounting Office, in a 1991 study which looked at the years 1985 and 1989, concluded that there was no data to suggest that employers were resorting with increased frequency to the use of replacement workers in strike situations. The report indicated that permanent replacements were a factor in barely one-sixth of all strike situations, and that there had been an actual decrease in the percentage of striking workers replaced by permanent hires—from 4 percent to 3 percent—over the period. An attempt to bring that data up to the years 1990 and 1991, conducted last year by the Bureau of National Affairs, indicated no significant change.

Though data on the use of permanent replacement workers in the 1980's relative to the 1970's and further back is not wholly reliable, what there is suggests that the use of replacement workers has been both rare and relatively constant.

In sum, while the empirical evidence isn't substantial or conclusive, what there is argues against, and not in favor of the claims of the proponents of H.R. 5 regarding an increased use of permanent replacement workers.

Finally, let's address what we all know in our hearts is really the issue here. Is the MacKay doctrine accountable for the fact that trade unionism in America has been on a steady decline, and is it the solution to organized labor's biggest problem? Again, the answer is no.

For starters, we should keep in mind that it was under the same law that unions successfully organized every basic industry in the United States between 1935 and the middle 1940's. During the same period, the number of union members nearly quadrupled from 3.9 to over 15 million.

Also, the trend of declining union membership as a percentage of the work force began long before the proponents of H.R. 5 claim that the hiring of replacement workers became a significant problem in the 1980's. In fact, union membership has been declining steadily since its height in the middle 1940's. Union density has declined from just over 35 percent in 1945 to 27 percent in 1968, 22 percent in 1980, and less than 16 percent today. In the private sector, union density has slipped below 12 percent. During that time there is no evidence that business relied with more or less frequency on the use of replacement workers. In fact, the Secretary of Labor has testified—erroneously—that the use of replacement workers was practically nonexistent before prior to the 1980's.

The argument against a relationship between the decline in union membership and the MacKay doctrine is further borne out when we consider what is happening in industrialized nations that don't have a MacKay doctrine. Across Europe and in Japan the percentage of unionized workers is also declining. In Japan, union membership has declined by over 20 percent since 1970. In Europe, which offers a more relevant comparison, union membership has declined by over 15 percent since 1985, and for the past several years has declined at almost precisely the same rate as in the United States.

A FAIR ALTERNATIVE

While these facts argue forcefully against H.R. 5, they don't suggest that we turn a blind eye to the abuses that have occurred, or that we should do nothing to address them. The alternative which we are proposing to H.R. 5 addresses the specific abuses which have occurred. At the same time, it leaves the foundations of current law in place.

The substitute makes several changes in current law. Together, they are designed to prevent any employer from using the MacKay option to either get around their responsibility to bargain in good faith, or to undermine a local union.

First, it puts in place a 10-week moratorium on the hiring of permanent replacement workers in any strike situation. This removes any advantage or incentive for an employer to line up replacement workers while collective bargaining is still in progress—a key labor complaint—and thereby provides a strong inducement for the employer to stay at the negotiating table.

Second, the substitute increases from 12 to 18 months the time within which permanently replaced workers would be eligible to vote in union decertification elections. Any employer thinking of forcing a strike and hiring replacement workers for the purpose of breaking a union will have less of a chance of succeeding—and thus less of an incentive to even try.

Third, the substitute requries that the National Labor Relations Board issue at least a preliminary ruling on any unfair labor practices claim filed in a strike where permanent replacement workers are a factor within the 10-week-moratorium period.

Because the right of an employer to hire permanent replacement workers does not apply in unfair labor practice strikes, it's critically important that the legal nature of a strike not be in question. Data suggests that in over half the cases brought to the NLRB on this point, the Board has ruled that unfair labor practices had in fact taken place, making the hiring of any permanent replacement workers illegal.

Unfortunately, because of case processing delays at the Board, it is highly probable that such rulings will come long after the damage has been done, and not in time to protect the legal rights of striking workers. According to GAO, the median time for processing unfair labor practice cases ranged between 273 and 395 days in the period 1984–89. This was three times the median in the 1970's, and the problem is even worse today.

As a result, employers who are abusing their rights under the MacKay doctrine have a fair chance of getting away with it—in the short term at least. By requiring that the NLRB issue at least a preliminary ruling in these cases before the moratorium period has ended, workers are far less likely to be denied the full protection to which they are entitled under the law.

Mr. Chairman, in closing let me remind my colleagues who have made promises to support H.R. 5 without considering the implications of the legislation, that this year's vote may be for real. President Clinton has said he will sign H.R. 5 if it gets to his desk, though I cannot believe that he would do so with any enthusiasm. I also cannot believe that Secretary Reich came to the Hill and testified in support of H.R. 5 with any enthusiasm. They are living up to a commitment which the politics of the campaign season forced on them.

The compromise is a fair alternative to H.R. 5. It addresses the specific abuses which have occurred without creating the real potential for increased conflict and confrontation between labor and management. We need to be stressing new modes of cooperation and shared responsibility in America's workplaces, not throwing down guantlets and raising the banners of a half century ago. Let us step forward, not backward. Support the compromise and defeat H.R. 5.

□ 1710

Mr. WILLIAMS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas, Mr. GENE GREEN.

Mr. GENE GREEN of Texas. I thank the gentleman for yielding. I appreciate the opportunity to speak on the substitute.

Let me point out some changes in the substitute that have not been addressed by Members. One, the 10 weeks would allow for a business, for example, to build up inventory for that 10 weeks and hold out if their real intent is to break the union, they would hold out for that 10 weeks. Sure, we can go through all the mechanism of trying to settle it through mediation, but they can still hold out for that 10 weeks and then permanently replace them.

Let me point out, under the secret ballot section—and I think Congressman WILLIAMS pointed out that this only applied to the one side and not to both sides, so if it is going to really be a compromise, it should apply both ways and not just to the union—but in that section where it talks about se-

cret ballot to call an economic strike, unless a referendum is conducted by secret ballot with the majority of employees in the bargaining unit, some of you may not know how that actually works because you may not have been into a union hall where they call a strike, but that bargaining unit may be 25 members, for example, and there may be only 15 or 17 members who are union members, who now vote on that strike vote. The bargaining unit is all 25. So you are actually changing law right now that says we are going to have these nonunion employees coming in ahead of them and vote on that strike vote. I hope that is not what you are trying to do in changing the law by saying it is only a 10-week cooling-off period because this amendment makes many other changes other than the 10-weeks' cooling-off period. Ten weeks is bad enough, but the other change in this amendment that is not explained makes it even worse.

Mr. RIDGE. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. PORTMAN].

Mr. PORTMAN. Mr. Chairman, I rise in opposition to H.R. 5.

Today we will vote on H.R. 5, the Workplace Fairness Act, which is anything but fair to the small businesses of this country, and ultimately to the workers they employ.

Between 1988 and 1990 small businesses created 4.1 million new jobs. Over the last 20 years they have created two-thirds of the net new jobs in this country—jobs which we desperately need. We have heard a lot of talk about jobs bills and stimulus packages over the past few months. Well, this is a bill which threatens the greatest job resource in our struggling economy. Small business. Companies large and small will be paralyzed by strikes if H.R. 5 becomes law. But, disproportionately it will be smaller companies that will fail and workers who had jobs in those enterprises who will suffer.

The risks to business survival in this country, particularly small business, are far greater than any gain to those who stand to benefit from passage of H.R. 5. As has been pointed out on the floor of this House today, the delicate balance of negotiating power between employers and employees has already been struck in Congress and refined by the courts. Under current law, business and labor each has incentives to bargain in good faith to reach agreement. If we allow this legislation to pass, I believe we'll see more strikes, longer strikes and a further weakening of our ability to compete globally.

This is a critical time for our faltering economy. It is not the time to pass legislation which will jeopardize the future of many small businesses and the jobs they provide.

Mr. Chairman, I urge my colleagues to vote against H.R. 5, and to stand in favor of job creation, not job depletion.

Mr. RIDGE. Mr. Chairman, I yield 1½ minutes to my colleague and friend, the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of the Ridge amendment and in strong opposition to the bill. The merits of the Ridge amendment as well as the merits of the bill have been argued in more detail than I have time to argue them. I want to make just one macro point.

The Northeast and the Midwest used to be the heartland of American manufacturing. We were where heavy industry was. We made the goods that rebuilt the world after World War II. We built the arms that won that war and forced the end of the subsequent cold war.

Since that time, we have lost literally hundreds of thousands of manufacturing jobs. That is a story we all know.

The story we are less familiar with is a story which was told in the Wall Street Journal about 10 days ago, and that is that the loss of manufacturing jobs in the Northeast and Midwest is essentially equal to the gain in manufacturing jobs in the South and Southwest. Let me repeat that: the loss of manufacturing jobs in the Northeast and the Midwest is equal to the gain in those jobs in the South and Southwest.

Mr. WILLIAMS. Mr. Chairman, I yield 1½ minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. I thank the gentleman for his leadership and also the leadership of Mr. FORD of Michigan in bringing this legislation to the floor today.

Mr. Chairman, I rise today in strong support of the Cesar Chavez Workplace Fairness Act, also known as the striker replacement bill, and in opposition to the Ridge substitute.

The right to strike is the foundation of collective bargaining. Without this right, there is no leverage which workers can employ in their negotiations with management. The National Labor Relations Act recognizes the importance of the right to strike and guarantees employees this right.

Over the course of the past decade we have seen the right to strike undermined consistently by the practice of hiring permanent replacement workers during a strike. The NLRA was designed to establish a fair balance between labor and management. Hiring permanent replacements tips the balance overwhelmingly in favor of management. I therefore oppose the Ridge amendment because it would limit that right.

Mr. Chairman, in this body we spend a significant amount of time debating productivity and competitiveness. One major action we can take to improve productivity is to restore to our workers their legal rights. By restoring, and not limiting as the Ridge substitute would do, the right to strike, we can empower workers and make them believe once again that they are the backbone of our economy and essential partners in our national economic recovery.

Mr. Chairman, our leading international competitors grant their workers this protection. We are unusual in the world economy among leading industrialized countries of not having this as a right for our workers.

Mr. Chairman, protection against striker replacement is long overdue. I urge my colleagues to support this important bill and oppose the Ridge amendment.

Mr. RIDGE. Mr. Chairman, we are going to conclude the debate with a colleague of ours who has a very unique and personal business perspective to bring to this body. I yield the balance of our time to the gentleman from New York [Mr. HOUGHTON].

Before he speaks, I cannot believe that my colleague and friend who thinks that this approach is antiworker, in the bill to amend the NLRA to make it an unfair labor practice to hire or threaten to hire permanent replacement workers during the first 10 weeks of any strike, the gentleman was a cosponsor. I know the gentleman feels very strongly about workers, and I know in his heart he does not see this view as antiworker.

Mr. HOUGHTON. Mr. Chairman, I do not know how much time I am going to take. I probably will be gaveled down by the chairman. But I see my life sort of evaporating in about 3 minutes.

All my life I have worked for better labor-management relationships. I think you can check this as far as the AFL-CIO is concerned, and I think you can, because I used to run a company that was in the glass business.

You know, this should not be a hate war. This is not Big Brother. This is not a dagger at the heart of negotiations. This really is a very commonsensical approach; not to cure a headache with a lobotomy. It is crazy to do this.

You know, I find myself standing here, and on one side I have people who are very strong for H.R. 5, and on the other hand I see many of my associates who do not want to change at all. We are trying to find a practical middle ground.

There is a reason for this middle ground. The commission situation which exists today is not good.

Yet, to say to an employer—and there must be an employer if there is an employee—that you never, under any circumstances, can hire a replacement worker. That does not make any sense at all. Let me ask you over here: You are the owner of a small business and you have an opportunity to move any place in this world, and you recognize that this is happening. Ninety-five percent of the market is outside this country. Would you put up a plant with this type of risk so that you never, under any circumstances, with any union leader who might be out to do something for his own good, could shut you down? I do not think that is right. I do not think it is right.

The interesting fact here is that this bill, in essence, was brought up in 1989 by a Democrat, a man called Mr. Brennan. And Mr. FORD was a cosponsor of this bill.

It makes a lot of sense. It is even better.

I see my time has run out, Mr. Chairman. I hope very much that you will support the Ridge amendment.

□ 1720

Mr. WILLIAMS. Mr. Chairman, I yield 1 minute and 15 seconds to the gentleman from Kansas [Mr. SLATTERY]. That 15 seconds is out of respect and recognition for his support of this legislation.

Mr. SLATTERY. Mr. Chairman, I thank my friend, the gentleman from Montana, the chairman of the committee, for yielding this time to me.

Mr. Chairman, I rise today to express my support for H.R. 5, and my opposition to the Ridge amendment. I am a cosponsor of this bill, because I believe it is necessary.

To me the question before us is a simple and fundamental one, and that is whether we believe that workers have the right to bargain collectively and to strike. I believe they do and I hope the majority of this body believes they do also.

When we enacted the National Labor Relations Act in 1935, we affirmed this basic right. The Government said: "we recognize that there must be a balance of power in the relationship between labor and management."

I believe in this balance, and I believe it is a delicate balance indeed. Neither management nor labor wants to see a labor dispute turn into a strike. However, the assurance of the right to strike, as a final recourse, is often labor's sole leverage in negotiations. The guarantee of this right is the essence of the critical labor-management balance.

Since 1981, this relationship has fallen out of balance. When a union goes on strike, the National Labor Relations Board can rule the strike either an economic or an unfair labor practice strike. Since 1981, the NLRB has ruled the vast majority of strikes to be economic, thereby allowing those workers to be permanently replaced.

Earlier this year, in my hometown of Atchison, KA, hundreds of jobs at one of the largest employers in that small town were at risk during a labor dispute. That manufacturer is operating on a very small margin. They are struggling to survive these tough economic times. I do not want labor to be able to dictate terms to management. However, I do not think management should be able to dictate to labor either. When management can say, "if you strike, you will lose your job, permanently," then the right to strike arguably does not exist.

I want to see both sides in a labor dispute negotiate in good faith. I do not think either side should be able to dictate the result. Permanent replacements are simply too intimidating of a stick for management to wield.

Those opposing H.R. 5, who argue that it will tilt the balance in favor of labor, simply do not acknowledge recent history. This legislation will clarify the intent of the National Labor Relations Act, and will restore the balance that existed in practice prior to 1981. It is only since the 1980's that permanent replacements have been successfully and widely used as a threat to deter strikes and as a means to bust unions.

H.R. 5 is not an extreme, prounion bill. It will not cause unions to strike gratuitously. In fact, managers will still have the right to bring in replacements during a labor stoppage. However, workers will be assured of the right to return to their jobs when negotiations are completed. Again, a strike is an unfortunate outcome that is in no one's best interest. Workers lose wages, and owners lose business. But with H.R. 5, both sides will have the optimal incentive to bargain in good faith and to resolve their differences as quickly as possible.

I urge my colleagues to join me in supporting H.R. 5.

Mr. WILLIAMS. Mr. Chairman, I yield 1 minute and 15 seconds to our friend, the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I rise in strong support of H.R. 5, the Cesar Chavez Striker Replacement Act of 1993. As a member of the Education and Labor Committee, I want to commend the fine work of both Chairman FORD and Chairman WILLIAMS.

I am a cosponsor and strong supporter of H.R. 5 and voted for it when the House passed it 2 years ago. When President Reagan fired the air traffic controllers in 1981, he sent a message to business that it was OK to dismiss striking workers. Since this time, many businesses have used this event as a way to tilt the collective balance in their favor.

H.R. 5 is legislation which attempts to restore the balance between labor and management in the collective bargaining process. H.R. 5 would prohibit employers from hiring permanent replacement workers during a labor dispute. Additionally, this legislation would forbid employers from discriminating against striking workers returning to their jobs once a labor dispute has ended.

Strikes are not risk-free, as some would have us believe. Workers view a strike as a weapon of last resort because being on strike means having no income. A person should not have to worry about losing his or her job permanently because of the decision to strike.

Mr. Chairman, I grew up in a union household because my father was an ironworker. I have lived through strikes and know the hardships that they cause for the workers involved.

The notion that somehow workers want to go on strike or want to prolong a strike beyond 10 weeks is absurd.

I remember when my father went on strike how difficult it was for our family to make ends meet. Going on strike is something workers do only as a last resort, and it is important for us to ensure that workers continue to have the right to strike so that they can achieve gains through the collective bargaining process. H.R. 5 will help us reach this goal.

Therefore, Mr. Chairman, I strongly support H.R. 5 and strongly oppose the Ridge amendment, because anything that places restrictions on H.R. 5 or attempts to gut H.R. 5 is not fair and is not in the best interests of workers or the American people.

Mr. WILLIAMS. Mr. Chairman, I yield myself the final minute.

Mr. Chairman, this is nearly the identical amendment that we voted on in the last Congress. It was then offered not by the current sponsor, but rather by the gentleman from Pennsylvania [Mr. GOODLING].

At that time the National Association of Manufacturers was against the amendment. I do not know where they are this time.

The National Federation of Independent Businesses was against the amendment. I do not know what they have done this time.

The U.S. Chamber of Commerce was against the amendment the last time it was offered. I do not know what they have done this time.

I assume they are all still against it, because the gentleman has made it worse than it was last time.

Last time it did not encourage the hiring of replacement workers. This time it does because the clock does not start ticking to determine when 10 weeks have passed until the boss has hired a replacement worker, so it encourages quick hiring of replacement workers.

So I assume that those business organizations which our side shall be voting with again this year are still opposed to the gentleman's amendment.

Mr. Chairman, I encourage my colleagues to support those businesses and industry associations, as well as the AFL-CIO who also, incidentally, is against the amendment of the gentleman from Pennsylvania [Mr. RIDGE].

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Pennsylvania [Mr. RIDGE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. RIDGE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 58, noes 373, not voting 7, as follows:

[Roll No. 223]

AYES—58

Allard
Bachus (AL)
Baker (LA)
Bentley
Bereuter
Bilirakis
Blute
Buyer
Callahan
Clinger
Dickey
Duncan
Ewing
Fawell
Franks (NJ)
Gekas
Goodling
Goss
Grandy
Greenwood
Gunderson
Hansen
Hayes
Hobson
Hoke
Horn
Houghton
Johnson (CT)
Klug
Kolbe
Lazio
Lewis (FL)
Machtley
Mazzoli
Meyers
Parker
Petri
Ravenel
Regula
Ridge
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Schaefer
Schiff
Shays
Smith (MI)
Smith (OR)
Snowe
Spence
Taylor (NC)
Torkildsen
Walsh
Weldon
Young (FL)

NOES—373

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Bacchus (FL)
Baesler
Baker (CA)
Ballenger
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Beilenson
Berman
Bevill
Bilbray
Bishop
Blackwell
Bliley
Boehlert
Boehner
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burton
Byrne
Calvert
Camp
Canady
Cantwell
Cardin
Carr
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Darden
de la Garza
de Lugo (VI)
Deal
DeLauro
DeLay
Dellums
Derrick
Deutsch
Diaz-Balart
Dingell
Dixon
Dooley
Doolittle
Dornan
Dreier
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Engel
English (AZ)
English (OK)
Eshoo
Evans
Everett
Faleomavaega (AS)
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Fowler
Frank (MA)
Franks (CT)
Frost
Furse
Gallegly
Gallo
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Gordon
Grams
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hancock
Harman
Hastert
Hastings
Hefley
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hochbrueckner
Hoekstra
Holden
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Inslee
Istook
Jacobs
Jefferson
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Knollenberg
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (GA)
Lightfoot
Linder
Lipinski
Livingston
Lloyd
Long
Lowey
Maloney
Mann
Manton
Manzullo
Margolies-Mezvinsky
Markey
Martinez
Matsui
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Mfume
Mica
Michel
Miller (CA)
Miller (FL)
Mineta
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nadler
Natcher
Neal (MA)
Neal (NC)
Norton (DC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Ramstad
Reed
Reynolds
Richardson
Roberts
Roemer
Romero-Barcelo (PR)
Rose
Rostenkowski
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Sarpalius
Sawyer
Saxton
Schenk
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Sharp
Shaw
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Smith (TX)
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stump
Stupak
Sundquist
Swett
Swift
Synar
Talent
Tanner
Tauzin
Taylor (MS)
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Underwood (GU)
Unsoeld
Upton
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Washington
Waters
Watt
Waxman
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Zeliff
Zimmer

NOT VOTING—7

DeFazio
Dicks
Henry
Hunter
Rangel
Solomon
Wheat

□ 1744

Mr. KOLBE changed his vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. LEVIN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5) to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes, pursuant to House Resolution 195, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The amendments recommended by the Committee on Education and Labor printed in the bill are considered as adopted.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GOODLING. Mr. Speaker, I am, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GOODLING moves to recommit the bill, H.R. 5, to the Committees on Education and Labor, Energy and Commerce, and Public Works and Transportation.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. GOODLING. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 190, not voting 4, as follows:

[Roll No. 224]

AYES—239

Abercrombie
Ackerman
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barca
Barcia
Barlow
Barrett (WI)
Becerra
Beilenson
Bentley
Berman
Bevill
Bilbray
Bishop
Blackwell
Boehlert
Bonior
Borski
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coppersmith
Costello
Coyne
Cramer
Danner
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Durbin
Edwards (CA)
Edwards (TX)
Engel
English (AZ)
Eshoo
Evans
Fazio
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (NJ)
Frost
Furse
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamburg
Hamilton
Harman
Hastings
Hefner

Hilliard
Hinchey
Hoagland
Hochbrueckner
Holden
Hoyer
Hughes
Inslee
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
King
Kleczka
Klein
Klink
Kopetski
Kreidler
LaFalce
Lantos
LaRocco
Laughlin
Lazio
Lehman
Levin
Levy
Lewis (GA)
Lipinski
Lloyd
Long
Lowey
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCloskey
McDade
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Mfume
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Moran
Murphy
Murtha
Nadler
Natcher
Neal (MA)
Oberstar
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pomeroy
Poshard
Price (NC)
Quinn
Rahall
Reed
Regula
Reynolds
Richardson
Roemer
Rose
Rostenkowski
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shepherd
Skaggs
Skelton
Slattery
Slaughter
Smith (IA)
Smith (NJ)
Stark
Stokes
Strickland
Studds
Stupak
Swett
Swift
Synar
Tanner
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Velazquez
Vento
Visclosky
Volkmer
Washington
Waters
Watt
Waxman
Weldon
Wheat
Williams
Wilson
Wise
Woolsey
Wyden
Wynn
Yates
Young (AK)

NOES—190

Allard
Archer
Armey
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Blute
Boehner
Bonilla
Brewster
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Castle
Clinger
Coble
Collins (GA)
Combest
Cooper
Cox
Crane
Crapo
Cunningham
Darden
de la Garza
Deal
DeLay
Derrick
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Emerson
English (OK)
Everett
Ewing
Fawell
Fields (TX)
Fowler
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Greenwood
Gunderson
Hall (TX)
Hancock
Hansen
Hastert
Hayes
Hefley
Herger
Hobson
Hoekstra
Hoke
Horn
Houghton
Huffington
Hunter
Hutchinson
Hutto
Hyde
Inglis
Inhofe
Istook
Johnson (CT)
Johnson (GA)
Johnson, Sam
Kasich
Kim
Kingston
Klug
Knollenberg
Kolbe
Kyl
Lambert
Lancaster
Leach
Lewis (CA)
Lewis (FL)
Lightfoot
Linder
Livingston
Machtley
Manzullo
McCandless
McCollum
McCrery
McCurdy
McInnis
McKeon
McMillan
Meyers
Mica
Michel
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Neal (NC)
Nussle
Ortiz
Oxley
Packard
Parker
Paxon
Payne (VA)
Petri
Pickett
Pickle
Pombo
Porter
Portman
Pryce (OH)
Quillen
Ramstad
Ravenel
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Royce
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Snowe
Spence
Spratt
Stearns
Stenholm
Stump
Sundquist
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Torkildsen
Upton
Valentine
Vucanovich
Walker
Walsh
Whitten
Wolf
Young (FL)
Zeliff
Zimmer

NOT VOTING—4

Boucher
Henry
Rangel
Solomon

□ 1804

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

INCLUSION IN THE RECORD OF STATEMENT FROM THE PRESIDENT OF THE UNITED STATES IN SUPPORT OF H.R. 5, CESAR CHAVEZ WORKPLACE FAIRNESS ACT

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that a statement from the Office of the President in support of the legislation be placed in the RECORD.

The SPEAKER pro tempore. (Mr. MURTHA). Is there objection to the request of the gentleman from Montana?

There was no objection.

The text of the statement is as follows:

STATEMENT OF ADMINISTRATION POLICY—H.R. 5—Cesar Chavez Workplace Fairness Act

The Administration supports H.R. 5, as reported, which would protect employees who exercise their legal right to strike from being permanently replaced by their employers. H.R. 5 would restore balance in collective bargaining by allowing businesses to operate during a strike through alternative means, while preserving fundamental union rights. This balance, which will foster stability in industrial relations, will stimulate productivity and international competitiveness that are critical to our long-term economic strength.

The Administration opposes amendments that were made in order under the Rule because they would weaken the bill's protection for striking workers.

GENERAL LEAVE

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on H.R. 5, the Cesar Chavez Workplace Fairness Act.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 999.

Mr. CALVERT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 999.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There is no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2333, INTERNATIONAL RELATIONS ACT OF 1993 AND H.R. 2404, FOREIGN ASSISTANCE AUTHORIZATION ACT OF 1993

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 196 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 196

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2333) to authorize appropriations for the Department of State, the United States Information Agency, and related agencies, to authorize appropriations for foreign assistance programs, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. After general debate the Committee of the Whole shall rise without motion. No further consideration of the bill shall be in order except pursuant to a subsequent order of the House.

SEC. 2. At any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2404) to authorize appropriations for foreign assistance programs, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. After general debate the Committee of the Whole shall rise without motion. No further consideration of the bill shall be in order except pursuant to a subsequent order of the House.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from California [Mr. DREIER], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. HALL of Ohio. Mr. Speaker, House Resolution 196 is the rule provid-

ing for the consideration of H.R. 2333, the State Department Authorization Act of 1993 and H.R. 2404, the Foreign Assistance Authorization Act of 1993. The rule provides for 1 hour of general debate on H.R. 2333 to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. It is the intent of the Committee on Rules that general debate on H.R. 2333 be limited to debate on the State Department Authorization Act and its related agencies' issues. All points of order against consideration of H.R. 2333 are waived. The rule provides that the Committee of the Whole will rise without motion after general debate is completed on H.R. 2333, and no further consideration of the bill shall be in order except by subsequent order of the House.

In addition, Mr. Speaker, this rule provides 1 hour of general debate on another bill, H.R. 2404, the Foreign Assistance Authorization Act of 1993. This debate shall also be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs. All points of order against the consideration of H.R. 2404 are waived by the rule. Finally, the rule provides that the Committee of the Whole will rise without motion after general debate on this bill is completed, and no further consideration of H.R. 2404 shall be in order except by subsequent order of the House.

Mr. Speaker, this is a carefully crafted rule which allows general debate only on two bills of importance to our Nation's security and foreign aid responsibilities. The Rules Committee originally received these two bills in one package. However, after a number of concerns were raised during the Rules Committee deliberations, an agreement was reached with all involved parties to bring these measures to the floor as two separate pieces of legislation.

In view of the rapidly changing world in which we live, I am glad my colleagues and I will have the opportunity to fully debate the important foreign policy implications associated with these two bills. H.R. 2333 provides funding levels for the State Department, the U.S. Information Agency, the Arms Control and Disarmament Agency, and other agencies which are vital to our interdependent world. The other piece of legislation, H.R. 2404, authorizes funds to meet our international security objectives as well as our Nation's economic assistance responsibilities. I am pleased to say spending levels in this bill are below the administration's request and below the level allowed in the budget resolution.

Mr. Speaker, this rule was passed out of the House Rules Committee with bipartisan support, in a vote of 10 to 0. I urge my colleagues to adopt it.

□ 1810

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 196 is an unusual, but not unprecedented rule. It makes in order 1 hour of general debate each on two bills which were originally reported from the Foreign Affairs Committee as one bill.

That originally reported bill, H.R. 2333, authorizes nearly $25 billion for the State Department and for U.S. foreign aid programs.

This is the first time, as far as we can recall, that these two major authorizations have been merged into one bill. And therein lies the rub as far as Members on our side were concerned.

The two authorizations were combined into a single bill, ostensibly for the purpose of expediting their consideration. But the problem is that there are those who can support the State Department portion of the bill but not the foreign aid portion. And so, the bill stood a chance, in its original form, of sinking under its own weight.

To remedy this unusual situation we requested this unusual rule to decouple the State Department and related agencies from the foreign aid programs. The rule does this by providing for the consideration of two bills—H.R. 2333, the reported bill, will be limited to the State Department; and a new bill, H.R. 2404, introduced on Tuesday, incorporates the foreign aid portion of the original bill.

Mr. Speaker, as I mentioned at the outset, this rule provides for general debate only on the two bills, with 1 hour for each. The rule also waives all points of order against both bills.

Once general debate is completed on each, the Committee will rise and further consideration will be subject to a second rule which will provide for the amendment process.

Mr. Speaker, I want to commend Chairman MOAKLEY and the Rules Committee as well as Foreign Affairs Committee Chairman HAMILTON, and the ranking minority member Mr. GILMAN for agreeing to this unusual procedure.

I especially want to commend the gentlelady from Maine [Ms. SNOWE], the ranking minority member on the Subcommittee on International Operations, for insisting on the separate consideration of these two measures.

She has always done a superb job on State Department authorization bills in the past, and I think she is correct in wanting to maintain the distinct identity and integrity of that authorization, and not allow it to be subsumed by foreign aid issues and controversies. Each measure should stand or fall on its own and not fall victim of the other.

The foreign aid authorization should be one of the most important foreign policy and national security measures to come before the full House. Now, it is no mystery that the concept of foreign aid is not popular among the American people. In the face of a $350 billion Federal deficit, it is unclear to most exactly why we spend $10 billion a year overseas. Therefore, constructing foreign aid legislation which can pass is an especially difficult task, but one which has been taken up with vigor by the highly respected chairman and ranking member of the Foreign Affairs Committee.

Foreign aid is not increased with this legislation. The $9.7 billion in aid authorized by this bill is less than the foreign assistance appropriated last year. Only one new foreign aid initiative is undertaken, the $900 million in aid to Russia and the other former Soviet Republics. Not only is that funded by reducing assistance to countries in Asia and Latin America, but Chairman HAMILTON and Mr. GILMAN worked together to include an innovative barter proposal which will show the American taxpayer that we are serious about applying new ideas to foreign aid.

I have been working with colleagues on both sides of the aisle to give the President the authority to negotiate aid for natural resource exchanges with Russia. Many of the former Soviet Republics are home to massive natural resource reserves—oil, gold, manganese, titanium, diamonds, and scores of others. The value of the mineral resources alone extends into the trillions of dollars. Therefore, I support the concept of barter for freedom, to trade short-term aid for long-term repayment in resources. This bill, thanks to bipartisan support and the leadership of Mrs. MEYERS of Kansas on the committee, includes a large measure of that barter for freedom concept.

The adoption of innovative new ideas like barter for freedom is the key to making foreign aid more palatable to the American people. Some of those ideas might not always originate on the Foreign Affairs Committee, or the Foreign Operations Subcommittee, which is why we need an open legislative process which permits all Members to contribute fully to foreign aid legislation. Of course, we must also reform the foreign aid bureaucracy, do a much better job targeting our aid, and explain how relatively small sums of money can really further American interests at home and abroad.

Toward these ends, there were some 52 amendments submitted to the Rules Committee for this bill. They are now the subject of bipartisan negotiations in an attempt to fashion the fairest rule possible. I will reserve judgment on that part II rule for now, and simply urge my colleagues to join me in supporting this general debate rule that separates the State Department and foreign aid programs into two bills.

Mr. Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Ohio for yielding me the time and rise in support of the rule as thus far presented and the bill.

Let me make a couple of points, Mr. Speaker. The first is that as we know, our world is changing minute by minute and day by day around us. Probably at no point in the past has foreign aid been as important as it is now and as leveraged as it is now. A little bit of aid in this place or that place, if well thought out and carefully done, might make a huge difference to us 5 years or 10 years in the future, particularly on the Russian aid portion of the bill that will come up in the foreign operations bill. That I think is noteworthy.

But I would like to address today the Middle East part of the bill. As Members know, the 10th round of the peace talks started today, and Israel has made some unilateral concessions at the peace talks. So far the Palestinians have not given too much in return. But what allows Israel to make the kinds of concessions that it has is the kind of strong and secure support that our Nation has given to the State of Israel over the course of the last 40 years.

Everyone knows that there is still a state of war, that terrorism strikes. There is a boycott of every Israeli company.

This bill, in real terms, lets Israel know that it is not alone and has our support.

□ 1820

There is a danger of Iran in the Middle East. Again, Israel is the best State to contain that danger.

Iran is only several years away from nuclear weapons. They seem to be buying long-range ballistic missiles and strategic bombers enabling it to reach targets in Israel for the first time. This would be an awful time to send both a substantive and a political message to the State of Israel that we are cutting back. Fortunately this bill does not do that despite the fact that inflation, everything else, new needs come up, at least the bill holds its own in terms of support of Israel.

To me and many others in the House, this is very, very, very important.

The bill also contains important language that lays out very clearly what Syria must do if it wishes to improve its relationship with the United States, including allowing Syrian Jews to emigrate, ending the support of terrorist groups, ending its drug trafficking, withdrawing from Lebanon, and assisting with efforts to find Israeli POW's. Again, this language was put into the report, and I think it is extremely important.

Finally, I would say, Mr. Speaker, that it is easy to get up and demagog against this kind of bill. But in terms of our domestic well-being, as we have seen throughout the Reagan and Bush years and even the early Clinton months, foreign affairs can unfortunately intrude on our domestic well-being.

A smart policy that does not just throw money at a problem but carefully pinpoints dollars, as this bill does, that limits them but does not just end them, is our best way of not only ensuring world peace but ensuring that foreign affairs will not intrude on our domestic agenda.

Because the bill has strong support for Israel and because it does these things, I urge my colleagues to support it.

Mr. DREIER. Mr. Speaker, I yield 5 minutes to the distinguished ranking minority member of the Committee on Foreign Affairs, the gentleman from Middletown, NY, Mr. GILMAN.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

The Rules Committee has reported to the House a rule that I believe is a positive contribution toward ensuring that the Members can properly consider both of the important measures that were originally combined within H.R. 2333.

Mr. Speaker, as you know, the State Department authorization and foreign assistance authorization bills, although both within the jurisdiction of the Foreign Affairs Committee, have traditionally been debated separately in the House.

The Foreign Affairs Committee, however—working to get these bills to the floor with the expectation that only limited debate time would be available—reported both within one measure: H.R. 2333, the International Relations Act of 1993.

Although I shared a concern to get these bills to the floor so that our foreign affairs programs and operations might be properly authorized, I had reservations as to whether that approach was a proper one.

I expressed my concern to the Rules Committee when it met yesterday to grant a rule for consideration of H.R. 2333, and at that time I asked that the Rules Committee give us a rule that would allow this House to consider these bills separately.

Mr. Speaker, I am pleased that we have before us a rule that goes a long way toward doing that. First, it separates the two measures contained in the bill. Second, it provides separate time for general debate on each.

This rule does a far better service to the Members of this House by splitting these bills for separate consideration than it would have done if it had kept them linked together.

Therefore, I appreciate what Chairman MOAKLEY and ranking member SOLOMON of the Rules Committee have done to bring this about.

Of course, having said that, I must note that this is only a partial rule. I certainly hope that the Rules Committee will continue this good work when it meets today to consider the second part of this rule.

Let me note, in closing, Mr. Speaker, that I commend the gentlewoman from Maine, Congresswoman OLYMPIA SNOWE, for her efforts to ensure that each of these bills is considered separately and as fully as possible in the House.

Let me also thank our distinguished chairman, the gentleman from Indiana [Mr. HAMILTON], for expressing his support for this approach in his response to questions before the Rules Committee. I appreciate his concern for bringing these important authorization measures out onto the floor, and I commend as well as his interest to work with the members of his committee—on both sides.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. Mr. Speaker, I rise to support the rule, but not the bill.

President Clinton has asked this country to sacrifice when he was elected President of the United States, and he made the tough choice by coming out and saying that you have to pay some more taxes to try to balance a budget that the people of this country want. He says we have to cut domestic spending.

What does that mean? It means we are going to cut programs for American senior citizens, cut into their Medicare, cut into children's programs, cut programs for American workers who have sacrificed, cut programs to help those who have actually sacrificed themselves into poverty, and then we are going to continue to finance nations throughout the world who despise America, who riot against America, burn our flag. It does not make sense to me.

American taxpayers in the 1980's coughed up $1.8 trillion for defense. Most of that money went to protect other people of the world. Sure, we could take a look at the Soviet Union and we could say we defeated them because we had a powerful army and we finally beat them down. Well, maybe we did.

But it was not paid for. We funded the Persian Gulf war, we were in Panama, we have been in Somalia, we are still there, in Grenada, and all that may be well, and we may have really done a wonderful thing. But it was not paid for.

Now we are going to be asked to send more money and foreign aid to some of these countries of the world who look upon us with disdain. None of this is paid for. So the Americans are asked to sacrifice more money.

I say that our focus has to be at home, and I say now, right now. Let us

cut foreign aid by at least 50 percent across the board to every country, and then we can downsize it from then on.

Our focus must be on domestic. It must be on domestic and not on foreign.

Stop giving the tax breaks to these companies who do business in the United States of America and then take our jobs and take them overseas; and change our trade policies, change our trade policies to keep American jobs in the United States so that we can have good jobs, pay the taxes on good wages, and I guarantee you that the Federal coffers will swell and that deficit will come down. That is what the answer is, my friends. It is not increasing foreign aid.

We have to have a commonsense approach to this, and I am going to oppose this bill.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the ranking minority member of the Subcommittee on International Operations, the gentlewoman from Auburn, ME [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I would also like to express my gratitude for the efforts of the Committee on Rules, in particular the gentleman from New York [Mr. SOLOMON] and the gentleman from California [Mr. DREIER], for addressing my earlier overriding objections to this bill and the proposed process for its consideration.

I serve as the ranking Republican on the Foreign Affairs Subcommittee on International Operations. My subcommittee has jurisdiction over the State Department Authorization Act. This portion authorizes the budgets and basic operations of the State Department, the U.S. Information Agency, ACDA, the Board for International Broadcasting, and the operating budget of AID. It also provides for U.S. contributions to the United Nations and other international organizations. Out of a $7.3 billion bill, the State Department authorization is only $76 million above the fiscal year 1993 appropriated level. And after a floor cutting amendment that the chairman, the gentleman from California, and I plan to offer, the bill's authorization level will be below a hard freeze at the fiscal year 1993 level.

Originally, this bill had taken the unprecedented step of combining the State Department authorization with the foreign aid authorization. This, in turn, led the committee managers of the bill to seek a modified closed rule. This was done because of time constraints and due to their overriding interest in passing a foreign aid authorization for the first time in 8 years.

In the process, however, the Foreign Affairs Committee's two major authorization bills were linked for the first time, and the fate of the less controversial State Department bill was endangered. If this problem was not somehow addressed, I was prepared to vigorously oppose the combined bill and urge its defeat on final passage.

Fortunately, this rule allows for the separation of the State Department and foreign assistance authorization bills. In essence, it provides for the separate consideration of both bills, which were unwisely combined during full Foreign Affairs Committee markup. If this rule is adopted, the House will be able to work its will individually on each bill. Each bill then will be separately voted on for final passage, and each will go on to their individual fate in conference with the other body.

Mr. Speaker, I am grateful to Mr. SOLOMON and other members of the Rules Committee for their cooperation in trying to fix the procedural errors of the Foreign Affairs Committee. Given what they had to work with, I believe they did a creditable job, and I intend to vote for this rule.

I am giving my support for this rule, however, with some reluctance. If the State Department authorization had been reported out of the Foreign Affairs Committee on its own, as it always has in the past, it could easily have come up under an open rule and had complete consideration on the floor in less than 1 full legislative day.

I can say this with confidence, as I serve as the ranking Republican on the Foreign Affairs International Operations Subcommittee, which has jurisdiction over the State Department authorization. That bill is Division A under the combined International Relations Act of 1993. I would have been proud to work with the chairman of the subcommittee, the gentleman from California [Mr. BERMAN] in presenting this bill to the House for a free and open consideration.

That will not be possible because technically this rule remains a modified closed rule. The members of the Rules Committee did the best they could to address this problem by making in order all of the proposed amendments presented to them by noon yesterday. I believe that those who worked on this process this year now realize the benefits to all involved of bringing the State Department bill to the floor under an open rule. I hope that this will be a one-time aberration.

Again, I intend to vote for the rule, urge my colleagues to support its passage.

□ 1830

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from new Jersey [Mr. MENENDEZ].

Mr. MENENDEZ. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in strong support of this bill and urge passage of the rule. As Members of the legislature of the greatest Nation in the world, perhaps the greatest Nation in the history of the world, we have to speak honestly to the American people.

This means we have to tell the American people that this debate is not just about foreign aid; it is about world leadership. It is about the awesome responsibilities that the United States must continue to assume as the world's only remaining superpower.

For more than 40 years we promoted the idea that we were prepared to fight to preserve basic, American values, promote democracy and respect for human rights, and to help establish free markets throughout the world.

Weapons alone did not win the cold war. The strength and universal appeal of our ideas and our firm commitment to defend them if necessary, did, But the end of the cold war does not mean that we can begin to turn our backs on a world which now more than ever seeks our leadership and guidance. We are treading dangerous ground indeed if we choose to abandon our world leadership responsibilities at this critical time.

No; now is not the time to embrace a new isolationism. Instead, now is the time for the United States to step forward and stand tall as the leader of a bold new internationalism which benefits the world but at the same time benefits each and every one of our citizens here at home.

Mr. Speaker, this bill is also about jobs. It is about developing markets abroad for "Made in the USA" goods and services; it is about selling those great American products overseas so that we can create more jobs here at home.

Let's tell the American people the truth:

This is not a handout to foreign countries. Nor does it export U.S. jobs abroad; $3 out of every $4 in this bill ends up being spent here at home. And that means jobs for Americans.

When we give food assistance to developing countries, more than 90 percent of it comes back to the United States by way of purchases of food by those countries from American farmers; 90 percent.

When we send American instructors and technical advisers overseas to help developing countries build their economies and infrastructures, the people of those countries learn that the American way works. They see how well "Made in the USA" products work and then buy them for years and years. That leads to increased sales of U.S. exports. And that too means more jobs here at home.

My congressional district suffers from one of the highest rates of unemployment in the State of New Jersey. One of the reasons that my constituents sent me here was to find them jobs. This bill will help us generate jobs here at home.

Despite all the ranting and raving about foreign aid, foreign assistance is one area in our Federal budget that cannot be blamed for our current defi-

cit. In fact, from 1981 to 1991 spending in our Federal budget ballooned out of control by growing at a rate of 43 percent. In that same period, however, foreign assistance spending grew only 6 percent.

Contrary to what some alarmists might tell you, our total foreign assistance package is equal to one-fifth of 1 percent of our national income. That pales by comparison to the days of the great Marshall plan, when foreign assistance spending exceeded 3 percent of our national income. I don't think that anybody in this House will tell you that we did not benefit enormously from the Marshall plan.

In fact, proportionately we rank 17th among industrialized nations in per capita foreign assistance spending. That's lower than Norway, lower than Belgium, lower even than New Zealand, not to mention Germany and Japan, who increasingly get more bang for their foreign aid bucks by selling more and more exports abroad.

Mr. Speaker, I have come to the floor for two reasons. First, I want to remind my colleagues that America must continue to act like the great Nation that it is. This bill is an important part of that effort. Second, I am here to urge all of my freshman colleagues especially to support a strong America by voting for this bill.

ANNOUNCEMENT OF THE DEATH OF THE HONORABLE JOHN CONNALLY

(By unanimous consent, Mr. PICKLE was allowed to speak out of order.)

Mr. PICKLE. Mr. Speaker, it is with deep regret that I inform the House that this afternoon the Honorable John Connally, former Governor of Texas, died in a Houston hospital. Governor Connally had been hospitalized for several days for lung, pneumonia, and circulatory problems. Governor Connally served as Secretary of the U.S. Navy, appointed by former President John Kennedy, and later as Secretary of the U.S. Treasury, appointed by President Richard Nixon.

As a lifelong friend since University of Texas days, he was my classmate, my fraternity brother, my partner in business, and close personal friend.

John Connally was clearly one of the strongest men who ever served this Nation. He could have become President of the United States, but fate did not allow it. But his life has been a beacon of accomplishment for millions of people.

Funeral services are tentatively scheduled for Thursday afternoon in Austin, TX.

Mr. HALL of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise to express my strong support for the rule for H.R. 2404, the Foreign Assistance Authorization Act of 1993, and I commend the distinguished chairman of our committee, the gentleman from Indiana [Mr. HAMILTON], as well as the distinguished ranking minority member, Mr. GILMAN.

Many ask: Why support foreign aid when we have so many domestic needs? Let me say that it is precisely because of these domestic needs that we need foreign aid.

We must support foreign aid because it is one of the most important diplomatic tools of American foreign policy. Support for our friends and allies throughout the world helps give them the wherewithal to meet their own defense needs, thereby increasing U.S. influence around the world.

Our Security Assistance Program saw its genesis right after World War II. It was an important part of our attempt to contain communism. Now with the end of Soviet communism, and with crises of a very different nature upon us, it is evident that we must reassess our priorities.

The assistance we got from Israel and Egypt during the gulf war is indicative of the sort of benefits foreign aid yields to our Nation.

The international importance of our foreign aid program is obvious, but why is it in our own economic interest? To help bring this bill a little closer to home, let me cite a few figures:

Almost 75 cents of every dollar appropriated for foreign aid is spent right here in the United States—on U.S. products and services.

In 1990 developing nations bought 127 billion dollars' worth of U.S. products.

More than 30 percent of all U.S. exports go to the developing world.

More than half of America's agricultural exports go to the developing world.

Forty-three of the fifty largest buyers of American farm goods today are countries that used to get foreign aid from the United States.

If those economic facts are not powerful enough, most of us would agree that helping the poorest of the poor improve their living conditions is certainly a salutary endeavor.

Mr. Speaker, this bill reduces foreign aid spending $227 million below the President's request. It is a lean, stripped down bill to give maximum flexibility to the State Department, yet it still addresses some of the most critical foreign policy issues of the day.

This bill allows the arms embargo to be lifted on Bosnia. It authorizes assistance to war victims in the former Yugoslavia. This legislation also increases funding to combat population growth, and increases assistance for programs aimed at democracy building abroad.

As chairman of the Subcommittee on Asia and the Pacific, I am occasionally asked why does the Untied States provide aid to a region of the world whose economic performance has surpassed that of the United States?

The answer is simple. The region also contains several of the very poorest Nations on Earth. The scourge of poverty, and the rapid spreading of AIDS in the region are just two of the reasons why the small programs in Asia and the Pacific are vitally important.

In addition to the humanitarian perspective, many do not realize that over 2 million U.S. jobs depend on exports to Asia. U.S. foreign assistance to Asia is modest, yet absolutely essential.

Mr. Speaker, I urge members to vote for the rule, and I implore you to vote for the bill. It is essential for our foreign policy, more importantly, it is essential for America.

□ 1840

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Sanibel, FL, Mr. GOSS, a veteran of the Committee on Foreign Affairs who now serves on the Rules Committee.

Mr. GOSS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it is important to say at the outset that this bill alone does not spend one dime. It simply sets policy guidelines and priorities for our foreign aid programs. It is a blueprint. It is an authorization, not an appropriation.

Framed in a climate of growing resentment and frustration with our foreign aid programs, this bill's ultimate fate depends on how well it reforms the present outdated and inefficient foreign aid bureaucracy.

Yesterday in the Rules Committee, 20 members—Democrats and Republicans—offered over 50 amendments to improve on the reforms in the bill. These amendments sought to make foreign aid programs more accountable, more efficient, and more investment oriented. All of these changes are crucial if we are to regain the trust and support of an American public grown weary of waste, inefficiency and backwards priorities in foreign affairs.

There is a case to be made for responsible foreign assistance—the trouble is that no one has been able to outline effectively and clearly why certain foreign aid programs are in this Nation's best interest. And that is the point of the debate on this floor this week.

Americans rightfully expect to see tangible results and return on their investment. We are not going to succeed unless we can look them in the eye and tell them that their tax dollars are being used wisely.

That is why an open rule is so important. In over 4 hours of testimony yesterday in the Rules Committee, we heard many worthwhile amendments to make this bill better. Open discussion of all these ideas is essential if we are to make this bill more responsive to the wishes of the American people we work for.

Let us practice what we preach about democracy. Let us have an open rule. Maybe after full debate we will find we have a bigger constituency supporting this authorization than we know.

Mr. DREIER. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER], a hard-working member of the Foreign Affairs Committee and my former seatmate on the Banking Committee.

Mr. BEREUTER. Mr. Speaker, I rise in support of part one of the rule and urge my colleagues to do likewise. In expressing this support for the rule this Member would recognize that some of our colleagues will regrettably rather automatically oppose a foreign assistance bill.

Mr. Speaker, I would assure my colleagues that this Member too believes that Congress and the Nation have gone too long without a thorough reassessment and reform of United States foreign assistance programs. The world has changed profoundly from the cold war environment that shaped much of the rationale for the Foreign Assistance Act of 1961. New dangers, including ecological damage and epidemic AIDS, have arisen, and overall priorities need to be reexamined. Africa's development problems, in particular, are serious and need creative attention. Much has happened and should have been learned in the last 30 years, from both the successes and from the failures of the aid program, and about how aid can produce effective and lasting positive results. But those changes and lessons have not been fully reflected in legislation; nor, largely, have they been reflected in AID's activities and operations.

Mr. Speaker, a reform effort is underway in the Clinton administration, it is said, and, within the House. The chairman of the Foreign Affairs Committee, the distinguished gentleman from Indiana [Mr. HAMILTON] and the ranking member, the distinguished gentleman from New York [Mr. GILMAN] cochaired a task force on foreign aid reform way back in 1988. They have worked diligently in the last two Congresses with the Foreign Affairs Committee to enact reform legislation, but alas without final success. Section 1101 of H.R. 2333 makes it clear that the Congress remains convinced of the need for immediate reform and is prepared to enact reform legislation in time for the fiscal year 1995 authorization and appropriation cycle. To facilitate this reform process, the President is required to submit a plan for comprehensive foreign assistance reform within 60 days of the enactment of H.R. 2333.

Mr. Speaker, this Member, together with the distinguished gentleman from Ohio [Mr. HALL], introduced a resolution last month which lays out for the President suggestions for elements of such a reform plan. This resolution, only recently introduced, which goes by the name "Many Neighbors, One Earth," already has 75 cosponsors in the House. A companion resolution with 10 cosponsors has also been introduced in the other body. The Many Neighbors, One Earth resolution (H. Con. Res. 100) reflects the views of many U.S. citizens that they are ready and willing to support a post-cold war foreign economic aid program if, and I emphasize the word "if," it gives priority to reducing global hunger and poverty.

Mr. Speaker, America's foreign aid program must be effective, it must be based in participatory approaches that strengthen global democracy, it must be environmentally sound, and it must focus on increasing the economic opportunities and productivity of the very poor, especially poor women. This can be accomplished by shifting about 5 percent of expenditures from lower to higher priority programs within the total for foreign aid, without increasing overall expenditures.

If other Members would like to join in sending a message to the administration about the type of foreign aid reform that is necessary for Members to be able to support authorizations and appropriations in the future, please consider becoming a cosponsor of the Many Neighbors, One Earth resolution in conjunction with your votes on the fiscal year 1994 authorizing and appropriations bills. However, Mr. Speaker, with the prospect for real reform of our foreign aid programs demanded by the Congress and now certainly attainable, I urge my colleagues to approve the bill and keep an open mind on the foreign aid bill which will follow.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. TUCKER].

Mr. TUCKER. Mr. Speaker, I rise in favor of the rule and in favor of foreign assistance in general.

We have many areas throughout the globe, including Africa and other areas, where we need continued foreign assistance.

I would like at this time, though, to impart a little of my experience of late upon my recent trip to Israel and to the Middle East and focus a little bit upon the attention that we need to give specifically to the recurring foreign assistance to the State of Israel to the tune of $3 billion.

Mr. Speaker, it is clear to me and clear to those of us who went on a tour of the Holy Land of late that Israel is the only ally in democracy that we can look to in the Middle East, an area that is extremely volatile and extremely dangerous with so many different Arab States, factions, and factions within factions. It is extremely important that we provide some type of regional stability in that area.

In fact, Mr. Speaker, when one thinks about the monumental questions that are facing not only this Congress, but this country right now in terms of whether we have a Btu tax or a gas tax, all those issues will go by the wayside when we realize that we will not have any access to oil if we do not create stability within the Middle East, and Israel most certainly is a key to that stability.

The success and the security of the State of Israel is inextricably bound to the success and the security of the United States of America. With the proliferation of conventional weapons and even now, Mr. Speaker, God forbid, unconventional weapons, to wit the nuclearization of many Arab States, Iran and others, we can ill-afford at any time, and particularly at this time to withdraw our support from Israel.

In fact, Mr. Speaker, our support for Israel has never been more important than it is right now, particularly with the 10th round starting in the peace process. I had an opportunity, I was very fortunate to have a one-on-one conversation with the Prime Minister, Yitzhak Rabin. In that dialog, it is obvious to me that here for the first time we have a leader on the Israeli side who is willing to take risks for peace, who is willing to step up to the plate and to through a lot of the convoluted issues, many of which are underlined with centuries of religious fanaticism and extremism and say that he is willing on behalf of his country to have peace.

If the United States withdraws its support to Israel, military and economic assistance at this time, it would send a dangerous message to not only Israel, but the other Arab countries who are trying to have peace talks with Israel, because these peace talks are not only bilateral, they are multilateral. They involve Jordan. They involve Syria, as well the representatives of the PLO, Hamas, and all the other organizations that are trying to attain peace.

In conclusion, Mr. Speaker, it is extremely important that we take this window of opportunity, that we exploit it to maintain peace, maintain regional stability, and after we have peace through the funding of foreign assistance, we will see an end to the boycott and we will see a better situation in the Middle East.

Mr. DREIER. Mr. Speaker, I am happy to yield 3 minutes to the gentleman from Wilmette, IL, Mr. PORTER, one of our thoughtful appropriators.

Mr. PORTER. Mr. Speaker, I thank the gentleman from California for yielding me this time.

Mr. Speaker, I am both encouraged and somewhat troubled by certain provisions the State Department Authorization legislation providing for foreign broadcast services, or radios. I am encouraged because the language of the bill authorizes Radio Free Asia. It may be called Asian Democracy Radio, but it is the same concept that is embodied in legislation cosponsored by myself

and the gentlewoman from Maryland [Mrs. BENTLEY].

Obviously, it is an idea that is needed very much in the world today. It is not the blunt instrument of MFN withdrawal, but it addresses a very great concern that is being seen today, Mr. Speaker, at the U.N. World Conference on Human Rights which has convened in Vienna, the Universal Declaration of Human Rights is being bombarded by the cry that there should be cultural relativism in human rights, that certain societies should treat human rights differently than others.

□ 1850

For those of us that believe that human rights are universal, the fact that these proposals come from egregious human rights violators, like China and Burma, is deeply troubling. In this context, the concept of a Free Radio, a surrogate radio, for Asia, makes great sense. I am also encouraged that this legislation retains Radio Free Europe and Radio Liberty which are still very much needed in areas of the world where the concepts of democracy are new and the practice of democracy is just now being learned.

I am somewhat troubled, on the other hand, by what the President said in his press conference today because the authorization is for a new structure that will cover all of our foreign broadcasts and will eliminate the Board for International Broadcasting. There would be apparently a new board within the USIA that will oversee Radio Free Asia, Radio Free Europe, Radio Liberty, and the Voice of America and the other broadcasting services. This flies in the face of the recommendations of two separate commissions, one a Presidential commission that wants to ensure, as we should ensure, that the surrogate radios retain their independence. The surrogate radios are not there to give the message of the United States as is the Voice of America. They are different from VOA. They are there to broadcast truth within societies where all the news is censored.

What is the reason for having a single entity? Is it savings? If so, I ask, "Why doesn't the President say so?" Also the commitment, it seems to me, is rather open-ended. How will this work in practice? Perhaps very well. The exact structure apparently is not clear to us and is not even contained in the legislation. Our job here in the Congress is to legislate. We need clear signals from the White House if they have ideas about legislation. What this bill really does is to leave open the question of the future of our foreign broadcast services, leave it for the Senate to decide, perhaps, address it in conference. I think we should have a chance to address it here in the House.

So, I am encouraged by the fact that we are going to have Asian Democracy Radio, very encouraged, but very troubled by the structure under which it will apparently exist.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from Dallas, TX, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I want to thank my colleague and friend, the gentleman from California [Mr. DREIER], for the opportunity to voice my opposition to this bill, and, as my colleagues know, this bill just does not cut enough spending period. Last month the liberal Members of Congress passed the largest tax increase in the country's history. They did this on the premise that they would include massive cuts in all areas of excessive Government spending.

However, in this bill, out of $7.4 billion requested for the State Department in fiscal year 1994, only 1.5 percent was cut. And, out of almost $10 billion requested for foreign assistance, not even 1 percent was cut.

Not one dollar was cut out of salaries and operating expenses for these agencies. In fact, out of the 38 areas targeted for authorization funding, only 5 were cut.

The most obscene provision is that which gives the President the authority to ignore the U.N. arms embargo on Bosnia and send over $200 million in military equipment. This provision is out of place and wrong.

As my colleagues know, the purpose of the embargo is to prevent the escalation of fighting by prohibiting the infusion of arms. In fact, President Clinton just recently backed away from advocating this very position, because he, as well as our allies, know that to arm the Bosnians will only escalate the violence, not end it.

And finally, I am not sure how we can possibly authorize money for foreign assistance programs except those that have been well defined in the past when the President does not even have a foreign policy defined. The President has consistently waffled on his foreign policy decisions, and we cannot possibly fund objectives that are still unclear.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Overland Park, KS, Mrs. MEYERS, a member of the Committee on Foreign Affairs with whom I have worked closely on the issue of barter for freedom as we address the Soviet aid issue.

Mrs. MEYERS of Kansas. Mr. Speaker, I would like to express my support for part 1 of this rule and for the bill. I think foreign aid, while it is enormously difficult, does open up areas of trade for us and continues our role of leadership in the world. I have some of the same concerns that my friend, the gentleman from Texas [Mr. JOHNSON], just expressed, but I think overall we have got to continue our role of foreign aid.

I would like to express my appreciation to the gentleman from Indiana [Mr. HAMILTON], and especially the gentleman from New York [Mr. GILMAN], for their assistance in placing section 1311(d) in this legislation, and this provision authorizes barter agreements with the former Soviet Republics, and it will greatly improve our aid program toward these Republics. In addition, the gentleman from California [Mr. DREIER] has been a real leader in attempting to bring about these trade exchange programs. Most importantly, it will increase the public acceptance of this vital mission. I am sure that all of my colleagues have had constituents ask why were we giving aid to Russia when that country had so many resources it could trade to us. I hope that I have explained how important it is to American interests to support the former Soviet Republics in reforming their economies and becoming democratic societies. And some of my constituents just look at me and grumble. But when I mention that I support exchanging a portion of our aid for natural resources they brighten up and say that is the way to go.

The former Soviet Republics are not poor countries. Their economies were destroyed by 70 years of central planning. They do need our help in letting a rational market develop.

The Republics have vast natural resources. The former Soviet Union ranked first in world production of manganese, titanium, and nickel. It ranked second in aluminum, tungsten, vanadium, and the platinum group metals. It ranked fourth in gold production with reserves behind only South Africa. Many of them are not easily utilized because the Communist leadership overexploited them for short-term gains and need our technical assistance to start them performing again. Once that adjustment can be made, those resources can be developed. Then the Republics can join the world economy as equal players.

I appreciate the chairman's cooperation in helping to authorize these exchange agreements. But that is not enough; they actually have to be made and implemented. Congress must insist that the administration use this authority when appropriate. Congress must indicate that this is not a hollow authorization, and that we expect the administration to take it seriously and make every effort to negotiate appropriate agreements for future reimbursement.

There are many methods to get this reimbursement. It can be a direct trade—aid now for raw materials later. The minerals can be used as collateral for loans and credit guarantees to decrease the subsidy cost and leverage more assistance. I trust the administration can come up with innovative solutions if they try. If you don't like the term barter, think of it as buying a

futures contract. We are investing in the success of economic and democratic reform in the Soviet Republics. It seems reasonable that America get something in return.

I know that it will take time to make an assessment as to how reimbursement can be arranged. So we have to start now. I am confident that this can be developed in a way that allows us to present tangible results to the American people and treat the people of the former Soviet Union as true partners rather than subjects of charity.

If Congress is to be relevant in formulating America's foreign policy, we must develop policy that will receive sustained support by the American people. Emphasizing the exchange of assistance now for reimbursement in the future will generate the support that this aid program needs.

Mr. DREIER. Mr. Speaker, to close the debate, I yield the balance of our time to my very good friend, the gentlewoman from Staten Island, NY, Ms. MOLINARI.

Ms. MOLINARI. Mr. Speaker, the world has watched with horror, night after night, tale after tale, of death and destruction in the former Republics of Yugoslavia, Slovenia, Croatia, and Bosnia. The war has taken its toll on hundreds of thousands of innocents and has left the rest of the world far from innocent as we watched and did absolutely nothing. This bill may help to reverse this terror trail first with ending the arms embargo in Bosnia and allowing those people who are left to defend themselves. I have offered two amendments to increase CSC monitors in Kosova and to establish U.N. peacekeepers there.

□ 1900

Why is it so important? Look at what we have right here. Here is the beleaguered area of Bosnia and Herzegovina. Here is Serbia and rump Serbia, an area that is controlled and dominated by Serbian Communists. Macedonia is an area we have already acknowledged by the United Nations, and we are sending peacekeepers in today.

That leaves one very vulnerable area left in the region, and that is Kosova. An ethnic cleansing is taking place there now as we speak.

The Commission on Human Rights expresses its grave concern at the deteriorating human rights situation in Serbia, particularly in Kosova, and condemns the violations of human rights occurring there, including police brutality against ethnic Albanians, arbitrary imprisonment of ethnic Albanian journalists, and closure of Albanian-language mass media.

That is from the U.N. Commission on Human Rights. Several of us just came back from there and understand that this is a situation that is about to fall. It is a situation that tears at the heartstrings of every American that desires total democracy and independence for every person on this globe.

Mr. Speaker, it may be too late in Bosnia, but in this foreign aid bill tonight we may be able to stop it from happening in Kosova, and those people and the spirit of all those people that we have lost and could still lose will stand up and cheer.

Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for yielding, and urge passage of the rule and consideration of these two amendments to establish some monitoring and some conscience in the Republic of Kosova.

Mr. HALL of Ohio. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FOREIGN ASSISTANCE AUTHORIZATION ACT OF 1993

The SPEAKER pro tempore (Mr. MURTHA). Pursuant to House Resolution 196 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2404.

□ 1903

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2404) to authorize appropriations for foreign assistance programs, and for other purposes, with Mr. MCDERMOTT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Indiana [Mr. HAMILTON] will be recognized for 30 minutes, and the gentleman from New York [Mr. GILMAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today we begin consideration of two bills: H.R. 2404, the Foreign Assistance Authorization Act of 1993, and H.R. 2333, the State Department, USIA, and Related Agencies Authorization Act, Fiscal 1994 and 1995.

There will be much debate and many amendments before we are through. But there is one overriding principle of foreign policy that ties the many parts of these two bills together: the need for strong, responsible leadership by the United States in the world today. The world is still dangerous and still requires us to be engaged and to lead.

We cannot meet all of the requests for help from our friends and allies around the world. We have many domestic problems crying out for attention. But if we pass this legislation we will be addressing the most important foreign policy problems and the most urgent foreign policy needs.

Most important of all, we will be acting in America's best interests.

APPRECIATION

As we begin general debate, I would like to thank my good friend and colleague from New York, BEN GILMAN, the ranking member of our committee, for his help and cooperation in bringing this important legislation this far, this quickly.

I would also like to thank all of the members of the committee, who have worked very hard and very cooperatively to draft a responsible bill that the Congress can pass and the President can sign.

I would like to thank my good friend DAVE OBEY for his cooperation, both in scheduling this bill in a way that accommodates the authorization, and in crafting a bill that complements our efforts.

I would like to thank Chairman DELLUMS, Chairman BROOKS, Chairman MILLER, and Chairman CLAY for their willingness to resolve possible jurisdiction conflicts in an amicable and accommodating fashion.

Finally, I would also like to express my appreciation to the House leadership. The window of opportunity for taking up this bill is narrow and limited. We are on the floor today because the leadership understands the constraints we were under. Our leaders have worked very hard to accommodate this legislation.

WINDOW OF OPPORTUNITY

Let me say a brief word to my colleagues about the window of opportunity and the restrictions we are under. The Committee on Foreign Affairs produced these two bills in near record time. We have been under a very tight schedule. We did not get the administration's proposed numbers until very late in the game—June 2. The appropriations bill was already scheduled to come to the floor this week.

If the House is to act on a foreign aid authorization, as a practical matter it must do so before the appropriations bill reaches the floor. So we had 2 weeks to draft these two bills, mark them up in subcommittees, mark them up in full committee, and bring them to the floor. No foreign aid authorization and State Department authorization have been produced in such a short time in recent memory.

We have been under a very tight schedule in committee and we are under a very tight schedule for the balance of today and tomorrow. That has affected the number of amendments that will be in order and the time available to debate them.

I realize there is some unhappiness about the rule. But I ask my colleagues: what is the alternative? There isn't one. If we do not act this week, we do not act.

WHAT IS IN THESE TWO BILLS?

Let me highlight the details of these two bills.

A. THE FOREIGN AID BILL

H.R. 2404 is a lean, stripped-down foreign aid bill that fully funds the highest priorities in the President's request, while holding overall spending below last year's levels.

Last year's comparable foreign aid appropriation was $9.9 billion. The bill before you today is $200 million less than that. This bill contains $2.3 billion for development assistance—$42 million less than last year. It includes $2.4 billion for the economic support fund—$246 million less than last year. It includes $3.3 billion for military assistance—$195 million less than last year.

With the exception of aid to Africa and to the states of the former Soviet Union, every foreign aid recipient is either at or below last year's level. Most are below.

The message of H.R. 2404 is very simple: We are squeezing foreign aid as tightly as we can.

B. THE STATE DEPARTMENT BILL

H.R. 2333, the companion bill, freezes State Department spending. It authorizes $4.3 billion for the State Department for fiscal 1994, compared with $4.3 billion last year. It clears away layers of State Department bureaucracy and gives the Secretary of State flexibility to organize the Department as he sees fit. It also caps the number of senior management positions in the Foreign Service, and limits the number of assistant secretaries and deputy assistant secretaries.

The bill supports our foreign broadcasting operations, which have been so important in spreading the message of democracy and freedom. It beefs up the Arms Control and Disarmament Agency, fully funds U.S. peacekeeping obligations, and increases funding for refugee assistance.

C. ADDRESSES KEY FOREIGN POLICY PRIORITIES

Lean as it is, this legislation still addresses our most important foreign policy priorities. It contains $903 million for aid to the states of the former Soviet Union. This is in full support of the President's request. This aid supports the highest foreign policy priority of the United States by supporting the reformers in the FSU—it keeps the political miracle alive.

It contains $3 billion for Israel, and $2.15 billion for Egypt. It includes $900 million in development assistance for Africa as well as a new initiative for conflict resolution in Africa. This is an increase of $100 million, a clear recognition of the importance the committee attaches to a strong U.S. policy toward Africa, a region that we have ignored at our peril.

The bill also includes a new $300 million capital projects initiative that is designed to get more U.S. companies involved in foreign aid. It prohibits aid to Zaire and Sudan, unless their governments begin to move toward democracy and respect for human rights. It prohibits any assistance that would result in a loss of U.S. jobs. It permits aid to Guatemala and Peru only if certain congressional notification requirements are met. It encourages the President to lift the arms embargo on Bosnia.

Above all, this is a lean bill, a bill without all the micromanaging of years past. This is a bill the Clinton administration will be able to live with—and work with. Policy language is where it should be, in the authorization bill.

SUPPORTING REFORM

Let me also assure my colleagues that when you vote for this bill you will be voting for foreign aid reform. This legislation requires the administration to submit a foreign aid reform package within 60 days, and commits our committee and the House to acting on the package before the next foreign aid cycle.

The administration has promised to submit a reform proposal by July 1, and we don't expect to bring a conference report back without it.

ARGUMENTS FOR THIS BILL

Let me emphasize the importance of foreign aid to U.S. national interests.

First, foreign aid directly benefits our constituents. This bill benefits Americans by advancing our economic interests and providing jobs. About three-fourths of foreign aid is spent in the United States. Billions of dollars will be spent on military equipment, agricultural products, and machinery as a consequence of this bill. This legislation also benefits Americans by helping other nations develop their economies. These recipients are already providing markets for U.S. goods.

Most of the large customers for American agriculture exports, for example, were once foreign aid recipients. This bill also includes a direct benefit for American companies through a $300 million capital projects initiative that specifically targets U.S. companies for large overseas capital construction projects.

Second, foreign aid promotes our security by building peace, stability, and democracy around the world. This bill, for example, will help create stability in hot spots like the Middle East and the former Soviet Union. Peace in the Middle East is expensive, but it costs less than war. Spending a few billion for foreign aid is significantly cheaper than spending hundreds of billions on increased defense expenditures.

Through a new conflict resolution initiative and increased funding for the African Development Fund, this legislation will help promote stability in Africa. By continuing to fund the SEED Program, it will help to continue the transition to democracy in Eastern Europe. All of these steps will mean more security, and less defense spending, for the United States.

A TOOL OF AMERICAN FOREIGN POLICY

I have tried to detail how this legislation is important to American security and how it benefits American jobs and will produce economic growth. It also is crucial for American influence in the world. In his conduct of American foreign policy, the President has several tools at his disposal. He has awesome American military power. He has professional diplomats. He has the economic clout of American markets and American exports.

Foreign aid is yet another tool in this arsenal. There are many circumstances in which the President cannot and should not send in the troops. There are instances in which diplomacy alone does not do the job. Foreign aid is sometimes the best tool to achieve our objectives.

The President has made this foreign aid request, and the President needs this bill to get the job done—to carry out an effective policy that protects and promotes U.S. interests.

CONCLUSION

As we act today, we must look to the future. The world our grandchildren will inherit tomorrow will depend heavily on what we do today to enhance global stability, prosperity, and cooperation. We will need all these tools—diplomatic, military, and economic—to do the job. A strong foreign aid program is essential to that task. I ask for your strong support for H.R. 2404 and H.R. 2333.

□ 1910

Mr. Chairman, I reserve the balance of my time.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to associate myself with the remarks of the distinguished chairman of our Foreign Affairs Committee, the gentleman from Indiana [Mr. HAMILTON] and express my appreciation to him for the cooperation he has extended to all members of our committee. This is truly a bipartisan bill.

It places our Nation solidly on record in support of the historic Camp David accords—by continuing full funding for both Israel and Egypt—and for assistance to Russia in its quest for economic and political reform.

This bill also strongly recognizes the need to foster sustainable economic development, and to strengthen the role of environmental and energy activities in development programs.

I am particularly pleased that this bill provides for a new focus on microenterprise activities with the establish-

ment of a microenterprise development fund.

H.R. 2404 is a 1-year transitional bill that authorizes $9.7 billion for foreign aid. This amount is $200 million below the administration's request of $9.9 billion, and is very close to that of the fiscal 1994 appropriations bill for foreign assistance as reported out by the Appropriations Committee.

But not close enough. The appropriations bill is $396 million below the amount in H.R. 2404 and, at the appropriate time, I will support an amendment that reduces the authorization level by $360 million.

Mr. Chairman, a great deal of concern has been expressed over the need to reform our foreign assistance programs.

I emphatically share that concern.

Four years ago, my good friend, the gentleman from Indiana [Mr. HAMILTON] and I conducted a special task force of the Foreign Affairs Committee that made a number of reform recommendations. Reform of foreign assistance is of paramount importance to many of us on both sides of the aisle. The administration has promised to send us a comprehensive reform proposal, which we are awaiting.

That is why the opening title in H.R. 2404 directs the administration to move expeditiously with regard to their reform proposals. It requires the President to submit to Congress within 60 days of enactment a plan to reform our foreign assistance programs and the Agency for International Development.

It also calls for an annual report to Congress that includes a country-by-country analysis of our economic assistance programs over the preceding 3 to 5 years.

At an appropriate point I intend to join my colleagues, the gentleman from Wisconsin, a senior member of our committee, Mr. ROTH, and the gentleman from Ohio, the distinguished ranking Republican of the Budget Committee, Mr. KASICH, in offering an amendment that is intended to speed up this long overdue reform process.

Our amendment requires the administration to base its reform plan on the four objectives recommended previously by the Hamilton-Gilman report: economic growth, resource sustainable development, poverty alleviation, and pluralism.

It also requires a plan that limits the number of countries AID will assist, and, finally, to help make certain that Congress will soon consider a reform plan, this amendment shuts down AID by September 30, 1994. As I stated in the committee markup, the administration is on notice that the clock is ticking for action.

Let me assure my colleagues once again: we do not expect to do business again on foreign assistance next year without meaningful reform.

Accordingly, I urge my colleagues to support H.R. 2404.

□ 1920

Mr. Chairman, I reserve the balance of my time.

Mr. DEUTSCH. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, I think we have a real opportunity here as a committee, and it is in no small part due to the efforts of the gentleman from Indiana [Mr. HAMILTON], his efforts at coming up with a package that will help strengthen the American economy, give American industry and workers a more effective chance to compete overseas, and will also work to help us achieve our foreign policy goals around the globe.

His work for years, on the committee, has clearly been an integral part of what the Committee on Foreign Affairs was able to accomplish, and as the chairman of the committee, his leadership, I think, is clearly exhibited in this bill.

Mr. Chairman, I would like to commend the ranking member of the full committee for his cooperation, and the gentleman from Wisconsin [Mr. ROTH], who on my own subcommittee is the ranking Republican and has worked cooperatively with us for many years, as well as the gentleman from Nebraska [Mr. BEREUTER] and others who have worked on these products in a bipartisan manner.

Oftentimes what we do here is described as a giveaway program. The reality is that three-quarters of the dollars that are utilized in this legislation create demand for American products that then continue to keep markets open for followup sales and spare parts and services and commercial sales, once countries reach that level.

At the end of World War II, Harry Truman took $16 billion of American taxpayer money to help rebuild Europe and keep it safe from communism. Those dollars spent not only kept Europe safe and free, they created markets for American goods that gave both the United States and our European allies an opportunity to prosper.

I am often floored by those that are ready to spend billions on bullets, but when it comes time to help people to develop the kinds of opportunities that we enjoy in this country, both from democratic institutions and our free-market system, that is when they start to watch the pennies. There are not pennies, Mr. Chairman, but we have in this legislation the kinds of tools that will help American industry and American workers compete overseas.

We can have programs that will better the standard of living around the globe, as well as here at home. The failure to do so is clearly seen today in the former Yugoslavian Republics and elsewhere around the world, where Americans are torn between sitting idly by as people savage themselves, and sending American troops for what may be a prolonged and difficult and bloody battle.

Luckily, in much of the world we now have an opportunity to help ourselves and other people through nonviolent means. On this floor there was no limit to support for the dollars needed to confront the Soviet Union when it was a military threat. Now we ought to use a small portion of those dollars to make sure that democracy comes to that region so there will not be a threat in the future.

Mr. GILMAN. Mr. Chairman, I am pleased to yield 4 minutes to the gentleman from Nebraska [Mr. BEREUTER], a senior member of our Committee on Foreign Affairs.

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of two very important pieces of legislation, H.R. 2333 and H.R. 2404, the State Department authorization bill and the foreign assistance bill. I think that without any exaggeration, great credit is due to our chairman and his staff and to the senior Republican, the gentleman from New York [Mr. GILMAN]. Both these distinguished gentlemen, with able help from other members of the committee, have brought some of the best legislation in foreign assistance and State Department authorization that we have seen. We have avoided extraneous, harmful amendments. We have avoided inconsistencies, I think, to a very major extent, and it is due to their leadership and the way we have proceeded this year.

Earlier tonight when we debated the rule, we heard one of the Members speak about his automatic opposition to foreign assistance. I thought that was regrettable, because frankly, these are among the most important, and if we do it well, among the most salutary actions that we can take.

If we take a look, for example, at the military expenditures of the United States and take the period between 1985 and 1997, which will take us through the projected expenditure patterns proposed by President Clinton, we will find that in real dollars the actual military expenditures of this country will have decreased by 43 percent.

None of that would have been possible, of course, without the end, we hope the end, of the cold war. If we had not seen the collapse of the Soviet Union and seen them moving toward democracy and pluralism and toward a nonaggressive or less aggressive stance, these kinds of dramatic reductions in our military expenditures would not have been possible.

Mr. Chairman, one needs to look at the foreign assistance activities that are part of this legislation. As we pro-

vide some small assistance to the former republics of the Soviet Union, we need to keep that in mind about the dramatic kind of changes that we have had in our military expenditure pattern, and with prospective changes to come, the kind of assistance that is needed at the grassroots level, technical assistance, humanitarian aid, things that are carried forth by this legislation and implemented through our State Department and other related agencies through the authorization of this legislation are crucial.

□ 1930

I think there are many areas where reform is needed. Members have heard my colleague, the gentleman from New York [Mr. GILMAN], and the chairman point out that reform is demanded, required with teeth by this legislation before we proceed with the authorization and appropriation cycle for fiscal year 1995. These two gentleman have credibility because for the last two Congresses they have been working, not successfully to this point, but working very diligently laying the base for solid reform of our foreign assistance programs and for the agencies that implement them. So I believe that Members can confidently tonight vote for legislation, tonight and tomorrow, when these bills are actually fully considered which will proceed with our foreign assistance programs.

Finally, I would say, to give some perspective to my colleagues who may be listening yet tonight in their offices, we heard about the ever-expanding amount of foreign assistance from this country. That is flat out in error. The foreign assistance legislation in real dollars has gone down for the last 7 or 8 years. Today we spend only slightly over 1 percent of our total budget on foreign assistance through both the multilateral and the bilateral assistance programs. So when we take a look at those items in the Reader's Digest that talks about all of the extraordinary expenditures that we make for foreign assistance in this country, know that that is only part of the story indeed. If we take a look at the map of industrialized nations of the world, we rank either 18 or 19 out of 20 in foreign assistance that we deliver on a per capita basis.

Tonight I urge my colleagues, and tomorrow, to vote for the foreign aid and the State Department authorization bills.

During the course of the debate on the Rule for H.R. 2333, I spoke about the need for, and prospect for, reform of our foreign assistance programs. Continuing these remarks on reform I would begin by turning to the subject of security assistance, the Subcommittee on International Security, where this Member serves as ranking member, requested only modest changes in existing law. This Member concurs with the assessment of the chairman of the International Security Subcommittee, the distinguished gentleman from California [Mr. LANTOS], that H.R. 2404 is not the appropriate vehicle for such an extensive review. This Member would note, however, that when the committee does begin its long overdue rewrite of foreign aid, that the Subcommittee on International Security will thoroughly examine the security assistance and foreign military financing provisions for necessary reform actions.

With the cold war over, the U.S. security requirements have dramatically altered. The old security requirements have dramatically altered. The old security threats have dissipated, but new and ominous threats have taken their place. It is time to rethink our approach to foreign military sales, and examine whether this is the most effective use of our scarce security assistance dollars. We must be ever more vigorous in our efforts to combat the proliferation of weapons of mass destruction. We must become much more aware of, and responsive to, the international terrorist threat. The recent bombing of the World Trade Center and the murder of two employees outside CIA headquarters in Langley, VA, have made it clear that we must redouble our efforts in this important area.

We also need to build upon the International Military Education and Training Program [IMET] to make it a more effective democracy-building tool for the new democracies in South America, Africa, Europe, and the former Soviet Union. The IMET program has long been an effective means of encouraging greater respect for civilian control over the military. It is widely recognized as one of the more cost-effective security assistance programs that we have. Perhaps that is why the Department of Defense seems intent on duplicating many aspects of the IMET program. As the committee pursues its forthcoming reform of foreign assistance, the International Security Subcommittee will be looking at this duplication of effort. This Member looks forward to working with the gentleman from California on these and other issues.

Let me note, Mr. Chairman, that this Member has sought to work with the chairman of the Committee on Foreign Affairs to draft the best possible foreign assistance bill for fiscal year 1994. Chairman HAMILTON and ranking minority member GILMAN have done an extraordinary job of presenting this body with a good and relatively clean piece of legislation without the weight of extraneous and oft-times conflicting policy guidance. H.R. 2404 has an important authorization for assistance for the republics of the former Soviet Union, an area where it is in our vital national interest to remain actively engaged.

This Member hopes to be able to vote for H.R. 2404 for final passage. And this Member will certainly vote for final passage if it is not weighed down with harmful language in the amendment process.

Lastly, Mr. Chairman, this Member would simply thank the chairman of the Committee, the gentleman from Indiana [Mr. HAMILTON], as well as the ranking member, the gentleman from New York [Mr. GILMAN]. The chairman and ranking member made every effort to keep this a bipartisan process. They and other Members, in particular the chairman and ranking member of the Subcommittee on Economic Policy, Trade, and the Environment, Mr. GEJDENSON and Mr. ROTH, and their staffs have been very helpful and gracious toward this Member on issues and amendments I wished to pursue as we prepared this legislation. It is this Member's hope that the legislation has been improved as a result of those joint efforts.

Mr. Chairman, barring the adoption of a harmful cargo preference amendment, or similarly harmful or ill-advised legislation, this Member would urge support for H.R. 2333 and H.R. 2404.

Mr. DEUTSCH. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. I want to commend Chairman HAMILTON for his leadership in advancing our security, our interests, and our values in a dramatically changed, but still dangerous world.

I want to speak today about two issues addressed in the committee report. The first is Haiti. The election of Father Aristide was a heroic act by the Haitian people, affirming their dedication to secure liberty and democracy.

For too long, the international community tolerated the illegitimate regimes set up after a military-backed coup in September 1991. Our sanctions and our calls for a return to democracy were toothless. The Haitian military and the illegitimate regime thumbed their noses at the international community.

I want to congratulate the Clinton Administration for recently taking more rigorous actions to restore democracy in Haiti. The United States revoked visas and froze assets of key coup supporters. We are discussing comprehensive sanctions through the U.N. Security Council. This multilateral blockade would cover oil and arms, and other nations would be called upon to freeze assets of coup backers.

I want to urge President Clinton to vigorously pursue this policy through the Security Council, and assure him that there will be broad support in this Congress for the firmest possible steps to restore democracy in Haiti. Tough sanctions alone will not return President Aristide to power. An embargo must be combined with negotiations. But we have to make a start. The heroic, suffering people of Haiti deserve no less from us.

Mr. Chairman, I also want to address the situation in Armenia and Nagorno-Karabakh.

Since 1988, fighting over Nagorno-Karabakh left well over 3,000 people killed and 380,000 refugees. At the end of May, Armenia and Azerbaijan agreed in principle to a peace plan negotiated by the United States, Russia, and Turkey that would end the fighting. A cease-fire would be complemented by lifting the transport and energy blockade against Armenia, introducing international observers, and continued talks over the status of Nagorno-Karabakh.

There are reports today that Nagorno-Karabakh parliamentary authorities have agreed to the peace plan as well, clearing the way for signing by all parties.

I think it is important to mention this hopeful news today, as we debate foreign assistance for fiscal year 1994. We are discussing a significant amount of assistance to the new Independent States of the former Soviet Union.

The committee has also recommended $600 million in military and economic support fund assistance for Turkey, one of the countries that has participated in the blockade against Armenia. As we consider this legislation and the prospects for peace in the Trans-Caucasian region, I think it is important that we make very clear to the Government of Turkey—to President Demirel and the new Prime Minister Tansu Ciller—that the United States expects the blockade against Armenia to end. To make this message clear, we call upon the administration to withhold obligation of assistance for Turkey until the blockade is lifted.

I traveled to Armenia this winter. In Yerevan, I visited orphanages and hospitals. There was no heat, no electricity, no running water.

The people of Armenia have faced nearly unspeakable horrors during this century. It is time now to press for an end of the hardship and deprivation caused by the current blockade, and to make every effort to bring about an agreement to end the conflict with Azerbaijan.

Mr. DEUTSCH. Mr. Chairman, I yield 4 minutes to the gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Chairman, I am here tonight to express my sincere support, and I wish I were as eloquent as the gentleman from Nebraska [Mr. BEREUTER] in outlining the reasons, the numerous reasons we should support this bill. It is very solid legislation.

We are being cut back every year in the amount that we appropriate for this. But I think it is in the interest of the United States that this bill be passed in its present form.

The bill is essentially important to the subcommittee for which I have the privilege of chairing, and that is the Subcommittee on Africa. Africa has really been taken off the diplomatic map for the last 12 years. It receives less than 10 percent of the aid that we allocate. Sweden allocates 43 percent of its aid to this continent. Germany is higher and England is higher. In fact, in dollar amount, we are third. Both France and Germany allocate more money to Africa than does the United States. Am I very happy to see that the Clinton administration has reversed this neglect.

Twenty-five out of thirty-five of the poorest countries of the world are on this continent, and yet, of 600 million people, we only allocate $800 million which comes out to about $3.37 per person. But African nations now are struggling to achieve three things: From war to peace, from authoritarianism to democracy, and from a controlled economy to a free-market society. And I think we need, at this time, more than any other time in our history to show our support for this continent. And I am very happy that we have increased in this bill the allocation from $800 to $900 million.

The African initiative does not simply spend more money in Africa. In addition, the bill contains a landmark conflict resolution initiative for Africa. This is actually designed to save money.

We know that we have made serious mistakes in the last several years. I point out Somalia. We totally walked away from there, and we are now spending over $1 billion to correct our mistake there.

In Angola, we set up a Democratic election, but we forgot to take the arms away from the people, and the election became a farce.

We have conflict resolution under the OAU in this bill, and we also have a demobilization where we go into the countries, encourage them to turn in their arms, and then have a conversion of the military to civilian life.

Therefore, I strongly support this bill. I ask my colleagues not to demagogue it. Most of the money spent in foreign assistance comes back to the United States. This is important for the peace of this continent. It is important to us.

Mr. GILMAN. Mr. Chairman, I yield 4 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding the time. I would just like to say to my colleagues from Indiana, the rule that is going to be passed upon tomorrow will severely limit the amendment process.

Last year we had an open rule on this bill, and we debated at length a lot of amendments. Some have said because of the pressing of the appropriations bill right behind this authorization bill that we do not have time to debate these amendments that we did last year. As a result, some very important amendments, like one I am going to be talking about tomorrow on India, will be reduced to 5 minutes on each side. And I submit we cannot debate an issue of that magnitude in 10 minutes. So I am very disappointed that the rule is going to be limited to try to speed up debate, and to go over so many things that are of great important to not only this Nation but the world in a short period of time I think is a disservice to this legislation.

I want to talk about two specific parts of the bill. First of all, we are going to give another $904 million in authorization to the Soviet Union, to Russia. So far, between 1990 and 1992 they had $91 billion pledged to them. In 1993 by the G–7 countries, another $43.4 billion, and another $3.85 billion in current proposals. That is a total of $139 billion in pledges to Russia, and we are going to put another $904 million in this year.

It seems to me instead of giving them another $904 million that we cannot possibly get through the pipeline, we ought to be buying things from them like vanadium. They have $31 billion in vanadium, $62 billion in nickel, $204 billion in manganese, $7 billion in silver, $103 billion in gold, $60 billion in platinum, so many diamonds that it is incalculable, so much natural gas, 16 trillion cubic feet, that it is incalculable, and they have $1.14 trillion in oil. They can afford to sell us these products instead of us giving American taxpayers' money to them when they really do not need it. We just need to have a good business agreement with them.

The last thing I would like to mention tonight, in my brief time here in this discussion, because it is not a debate because we do not have time for debate, but in this discussion in India there are horrible things happening to people in a place called Punjab, Kashmir, Nagaland, and elsewhere. Women are being gang-raped, children are being killed and murdered, people are being tortured beyond human belief, and the world does not even know about it, because they will not allow human rights groups in, the International Red Cross in or the media in to see what is going on. The things we see going on in Bosnia today, in the former Yugoslavia and Somalia, these things are no worse, in fact in many cases they pale in comparison to what is going on in Kashmir and Punjab, and yet the world does not even know about it.

I had an amendment on this issue last year that passed by 219 to 200. This year they are limiting the debate on that to no more than 5 minutes on each side, and we cannot possibly debate it in that length of time. As a result, that amendment will probably fail. It passed last year.

I wanted to cut off $26 million in developmental assistance to India last year until they changed their policies. This year it is $41 million, and they will not even allow this amendment to have a fair debate on the floor. I think that is unconscionable.

Women are being tortured and gang-raped. One woman was gang-raped when she was 8 months pregnant by 16 soldiers, and they kicked her in the stomach afterwards, and the baby was born 2 days later with a broken arm. Yet we cannot debate that tomorrow except for 5 minutes, and because of that it is likely to fail. They have been disemboweling people, they have been doing horrible things, taking people out of their houses in the middle of the night, taking them into an alley and shooting them, and then calling that democracy. The world's largest democracy? I think not.

I would just like to say, my colleagues, tomorrow we will have very limited debate on that issue. I hope Members will pay particular attention, because it is extremely important. If we really believe in human rights, we should pass that amendment.

Again, I thank the gentleman for yielding the time.

□ 1940

Mr. DEUTSCH. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, in these very lean economic times, many people say, "Well, why should we give foreign aid? Is it not a place where we could cut the budget and somehow balance the budget on the backs of foreign aid?" And the myth continues and continues and continues.

The fact is that with the collapse of the Soviet Union, foreign aid is more important than ever before. The United States, as the last remaining superpower, has a stake in what goes on in the rest of the world. The United States certainly wants to be in a position to try to influence events around the world, and we want to try to make sure that democracy takes root in the countries that formerly were dominated by communism or dictatorships or both.

Much has been said here today about the myth of foreign aid. Foreign aid is barely 1 percent of our total budget, and if we eliminate funding for the State Department, it is really barely about one-half of 1 percent.

The foreign ops appropriation bill this year is 17 percent lower than the bill last year, and about 75 percent of all foreign aid spending is spent right back in the United States, and in the case of Israel it is 83 percent, creating American jobs and stimulating our American economy.

In 1988 the United States came in 18th of 23 Organization of Economic Cooperation and Development countries in percentage of aid per dollar of GNP. The only countries lower were Greece, Iceland, Ireland, Portugal, and Spain. Last year the only country lower was Ireland, and they are about to increase, and pretty soon we will be at the bottom of the pack.

This is a time in the world where the United States needs to get involved more than ever before. For years we spent billions and billions and billions of dollars in an arms race with the Soviet Union for arms and weapons. If we take just a small portion of that money and use it for foreign aid to build democracy, it will save the United States vast amounts of money in the future.

So I look upon foreign aid as an investment in our country and something that is very, very good for the United States.

I urge my colleagues to support the bill.

Mr. GILMAN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. KING].

Mr. KING. Mr. Chairman, I rise in support of H.R. 2333, the fiscal year 1994–95 Foreign Aid Authorization Act.

While some—in their search for simple solutions to difficult problems—are seeking reductions in foreign aid in the aftermath of the cold war, I believe it is time to strengthen it and reaffirm our leadership role in the world. We must act boldly and decisively to consolidate our hard-won victory in the decades-long struggle against Soviet despotism. This bill is clearly not perfect and I do not support every provision—particularly aid to Nicaragua. However, it is vital that we pass H.R. 2333 and take an important step forward, toward a more secure world.

I am very pleased that this measure will maintain the strongest possible level of commitment to our closest ally and sole democracy in the Middle East, the State of Israel. It specifically earmarks $3 billion in security assistance to Israel—$1.8 billion in foreign military finance grants and $1.2 billion in economic support funds. Similarly, it is essential that we continue to provide aid to the Government of Egypt.

The measure represents a critically important vote of confidence for the ongoing Middle East peace process. Like my constituents, I believe that the countries of the Middle East have the opportunity for a historic breakthrough. I strongly support the provisions of the bill aimed at assisting the peace process by striking a blow against the outrageous Arab boycott of Israel. H.R. 2333 specifically provides the President with the authority to prohibit the sale of military equipment to any country participating in the Arab boycott of Israel.

This legislation also seeks to put an end to genocide and mass rape in Bosnia by ending the arms embargo on the besieged Bosnians. In April, I travelled to this war-torn region and witnessed the death and destruction firsthand. I confronted Serbian leaders who have allowed or encouraged atrocities and told them of the America's outrage and disgust.

This legislation is a necessary response to Serbian aggression and war crimes, and if fully implemented, can make the words "Never again" a reality. I urge the President to follow through on these provisions and allow the Bosnians to defend themselves.

I must also express my support for the aid package for Russia and the former Soviet Republics. This aid is as important today as the Marshall Plan was more than four decades ago and is vital to support the democratic changes which were secured after so much sacrifice. President Boris Yeltsin, Russia's first democratically elected leader, has consistently stood up to the former Communists and ultra-nationalists who seek to plunge Russia back into darkness. He and other democratic leaders need and deserve our help.

After 45 years of sacrifice and fear, America won the cold war. Now, we must step forward to ensure that the world never returns to the days of a balance of nuclear terror. That is why this aid package is in our national interest.

Mr. Chairman, I welcome this opportunity to set the record straight on foreign aid and urge my colleagues to join me in supporting these important programs at this critical time. The fact is that foreign assistance represents 0.9 percent of our national budget and 0.27 percent of our GNP. Moreover, about 73 percent, 83 percent in the case of Israel, of our foreign aid dollars are spent right here.

I urge my colleagues to put simple sound bites aside and support America's role as the world's only superpower. I congratulate the Foreign Affairs Committee, particularly Chairman LEE HAMILTON and Vice Chairman BEN GILMAN for their outstanding efforts and leadership. I look forward to continuing to work with them to advance the cause of peace and democracy around the world.

Mr. DEUTSCH. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. HASTINGS], for his maiden speech on the floor of the House of Representatives.

Mr. HASTINGS. Mr. Chairman, I thank the gentleman for allocating to me the time to share with this body my support for the International Relations Act of 1993. I must express to you my shock, upon speaking with some of my colleagues, in learning that they have difficulty supporting this legislation because they fear explaining to their constituents why they sent American dollars overseas.

But let me tell you that I am more fearful of explaining to my constituents why I did not support foreign aid. What will our constituents think when they see the international leadership of the United States falter and slowly fade, like the sick man of the Western Hemisphere? How will they feel when they can no longer export their products to countries with whom they have been doing business for decades because those same purchasers are importing goods from those countries with whom they have new improved relations? Will they feel secure if totalitarian regimes rise up to threaten the West, but America is isolated because we have no allies left?

Don't tell me that our constituents oppose foreign aid. Our constituents have already proven their commitment to international humanitarian causes by voluntarily donating more than $2 billion per year to charities. Americans are the first to organize international relief efforts, collect food and clothing for victims of earthquakes, hurricanes, cyclones, and famines, hold concerts to raise money for various causes, and leave their jobs to go volunteer in hospitals, schools, and industries overseas.

How many letters have each of us received from constituents expressing

their outrage over the ongoing atrocity in the Balkans and demanding to know why the United States has not stopped it? How many phone calls have we gotten urging us to end famine in Africa and Asia and support newly independent democratic states?

I am not hearing that our constituents don't support foreign aid. I am hearing that our constituents don't understand foreign aid and that some of us don't have the moral strength to educate them. Please explain this simple fact: Foreign aid is 1 percent of the budget of the United States; 90 percent of the military aid that we provide is spent purchasing military equipment from the United States. And who builds that equipment? American defense contractors. If we didn't give these other nations the money with which to buy the equipment? They would buy it from another country and that country's defense contractors would be expanding its employment rolls.

So please, don't confuse the mandate of the voters with our own ineptitude. The voters said they want change, but we are here to promote their best interests and the best interests of the United States. Change for change sake is not progressive: It is short-sighted and dangerous. Do not abdicate the authority that the voters have vested in you for fear that there will be a backlash. Do not make decisions that will affect the long-term security and humanitarian interests of the United States because the voters are in a momentary mood to save a nickel here and a dime there. The money we save at the expense of foreign aid will only rob us of our future. International assistance can help stabilize the world.

Mr. GILMAN. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. PAXON].

Mr. PAXON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, my colleagues, the day after Easter, on many of our desks arrived independently and ironically two different books. One the world must know, "A History of the Holocaust," outlining the lesson that we must never again allow atrocities of that kind to occur in this world.

The other book was entitled "God Be With You: The War in Croatia and Bosnia-Herzegovina." It was about the forgotten lesson, the lessons we have already forgotten about atrocities occurring in this world.

My friends, we understand these lessons, those of us who have traveled to the Balkans, the gentlewoman from New York [Ms. MOLINARI], the gentleman from New York [Mr. ENGEL], the gentleman from New York [Mr. KING], and I, who saw firsthand the result of Serbian aggression in places like Slovenia and Croatia, the genocide that is occurring now in Bosnia and Herzegovina, and unfortunately we also saw the violent future that lies ahead unless action is taken now in places like Kosovo and the former Yugoslav Republic of Macedonia.

In Kosovo particularly these lessons came home to us. There are 2 million Albanian Moslems with the Serbian guns to their head. Ninety percent of the people of that region are being subjugated by the violent few. That future is violent. The slaughter will occur unless action is taken now, the genocide, the horror, the rape, the murder that we have seen in Bosnia and Herzegovina which will occur in Kosovo and possibly in Macedonia unless we act now.

That is why it is so important that we support the end to the arms embargo for Bosnia. It is vitally important that we support the actions by the gentlewoman from New York [Ms. MOLINARI] to allow the United States to request U.N. peacekeepers for Kosovo and also increased CSCE presence in Kosovo.

My friends, in conclusion, if the lessons of the Holocaust in this book and in that Holocaust Museum at the foot of Capitol Hill are to mean more than just words, if "Never again" is more than just a phrase, now is the time to act. It is vitally important for ourselves and for the world that we do so and that this country stand up today.

Mr. DEUTSCH. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Chairman, I rise in strong support of the legislation before us. I believe that it is in our best interest as a nation that the transition from yesterday's centrally planned economies in the Soviet Union to tomorrow's market-driven economies in the Republics is both orderly and successful.

I want to thank both chairmen for including in this bill the features of the International Statistical Information and Analysis Act.

□ 1950

These provisions will assist the newly independent Republics with the collection, analysis, and dissemination of reliable market-related economic data. The Republics possess the vestiges of the vast statistical system from the Soviet era. Unfortunately, the standards used to manage command economies are altogether different from those commonly used to measure economic and business activity in Western-style industrial nations.

By offering the expertise of American statistical agencies, we can help the Republics adapt to unfamiliar economic concepts and develop the instruments to gather market-related data.

By sharing that kind of data, it will help us measure the successes and failures of current assistance programs, let us target our aid in a more informed manner, and it will make our assistance less experimental and less costly.

Currently, we are just groping in the dark.

The lack of reliable data prevents us from moving beyond broad concepts and good intentions. What we need is a way to measure and evaluate the changes our assistance brings at the micro level.

Perhaps the most important benefit of this kind of data will allow American investors to channel their resources to productive and rewarding investments.

Reliable measurements are fundamental to any society. In our country we value our own economic indicators, we know that, without accurate information, costly mistakes are inevitable. Surely we can appreciate the importance the Republics place on having their own measurements of economic progress and providing assistance toward that end.

Mr. GILMAN. Mr. Chairman, I yield myself such time as I may consume.

My colleagues, tomorrow when we vote on H.R. 2404, please bear in mind we will not only be voting for foreign assistance but we will also be casting an important domestic vote. It is an important vote for our agricultural community, for our farmers who have found extensive foreign markets for our Nation's agricultural commodities. It is also an important vote for our colleges and universities who train future leaders throughout the world right here in our own Nation. Every dollar we authorize will have a significant impact right here at home.

More than half will be spent on United States goods and services. It is also an important domestic vote because it enhances our Nation's security. And what we spend to maintain peace in the Middle East is a fraction of the cost it will take to maintain a military presence in that region.

We learned that lesson during Desert Shield and Desert Storm. The funds we are committing to Russia pale in comparison to our defense budgets during the cold war ear.

Accordingly, I urge my colleagues to join us in casting a strong domestic vote tomorrow for foreign aid.

Mr. Chairman, I reserve the balance of my time.

Mr. DEUTSCH. Mr. Chairman, I yield myself the balance of our time.

Mr. Chairman, this bill is an investment in America's future. Just think for a moment, 5 years ago if someone had come to this Congress or this country and said, "If you were able to invest $20 billion and the Soviet Union would disintegrate, would start the process toward a free enterprise system, toward freely elected governments," I do not think there is a person in this chamber, I do not think there is an American, who would not have mortgaged our homes to take

that offer up. We did not have to invest it, and it happened.

In this legislation we are asking to make a much, much smaller investment in terms of the former Soviet States. And that investment, I think, will yield benefits beyond our wildest imagination because what has happened in the former Soviet Union, in Eastern Europe, is the defining issue of our lifetime, maybe even this century.

There are other issues in this package which really can be considered directed investments in America's future, in terms of the issues related to the Middle East, as the ranking member of the Committee on Foreign Affairs just mentioned. If we were not investing in terms of peace in the Middle East right now, unfortunately more than likely we probably would see American ground troops in that region of the world, and what we would see in terms of American ground troops and the costs associated with them would be orders of magnitude greater than what is in this bill, $20 billion, maybe even $40 billion.

This is legislation which truly is good for America and America's future, and I urge its adoption.

Mr. BERMAN. Mr. Chairman, I rise today in support of H.R. 2404, the foreign aid authorization bill. I do so because I strongly believe that this bill serves our vital national security interests. In the post-cold-war era, our aid is used to promote democracy and political stability, to support our friends in regions of tension, and to advance our own economic interests. In short, foreign aid is not—and should not be portrayed as—an act of charity on our part or a gift to foreigners; it is part and parcel of our national security policy.

Let me start with the former Soviet Union. I believe that the crisis of stability there is the crucial foreign policy issue of our time—and perhaps the most important since the end of World War II. Over the past dozen years, the United States spent over $3 trillion, largely to defend ourselves against the Soviet threat. Having won the cold war at the cost of such great national treasure, we now have the opportunity to spend a tiny fraction of that amount to help ensure that democracy and free market reform succeed in the former Soviet Union.

How important is that? The success of democracy and free markets there would allow us to shift resources to meet the needs of the American people. It would mean new markets for American industry, and real progress in nuclear arms control. If, however, these new Republics descend into anarchy or are taken over by hardliners, these prospects would disappear. Instead of drastically reducing current nuclear arsenals, we could be facing the resumption of a nuclear arms race and the emergence of new nuclear weapon states. New markets would be lost to American industry, and the global march toward democracy would be halted, indeed reversed.

So, is providing aid to these newly independent States a gift? I would argue that as much as any other money spent in our national defense, its provision would be an act supremely in our national interest. We can spend relatively modest amounts now, or we can look forward to the possibility of spending billions and billions on defense for years and years to come.

Let me now turn to support for our friends in regions of tension. Our assistance to the Camp David peacemakers has been a significant contributor to the maintenance of peace between them and to the emerging possibilities of a broader peace in the Middle East. The region remains one of vital strategic importance to the United States. Expanding the network of peace there is the best safeguard we have in preventing those in the region who would upset its fragile stability and fundamentally challenge our interests. Were that to happen, the expense it would entail for the United States would make our current assistance seem very small.

And, Mr. Chairman, I want to assert strongly that this bill makes great economic sense for the United States. First, the great majority of aid we provide is spent here, in America, providing jobs today for Americans. Second, our aid, more than ever, is tailored to expand markets for Americans abroad; $655 million of the aid to be provided to Russia, for example, is devoted to private sector development there which will result in increased United States industrial, commercial, and agricultural exports. It directly links United States agribusiness with its Russian counterparts and employs United States professional and technical advisors.

More generally, I would point out that more than half of America's agricultural exports now go to the developing world. And, although it is probably not widely known, 21 of the 50 largest buyers of American agricultural goods were former recipients of U.S. food aid. Our assistance is designed to promote private markets and expanding economic growth in the developing world, opening up new U.S. investment opportunities. As demand in these markets increase, U.S. trade will increase.

Mr. Chairman, I will not dwell on the many other accomplishments of our foreign assistance—in the eradication of smallpox, in immunizing the world's children, in assisting in family planning, in helping to prevent starvation during Africa's great drought, or, now, in preserving millions of acres of tropical forest. These are all important and help to define the American character.

That said, I repeat what is essential for us to understand: The foreign assistance provided for in this bill is as much in our national security as are the much greater amounts we spend formally on defense. It provides vital assistance for the promotion of democracy and free markets in the merging States of the former Soviet bloc, it supports our important allies, and it provides jobs—both today and in the future—for Americans.

Mr. BORSKI. Mr. Chairman, I rise today in support of H.R. 2404, the Foreign Assistance Authorization Act of 1993. Today's expeditious consideration of this bill was made possible by the hard work, commitment, and leadership of Chairman HAMILTON.

H.R. 2404 streamlines our limited resources to promote security and prosperity worldwide. It authorizes $9.7 billion for foreign aid—$227 million less than the President requested and $240 million less than appropriated for 1993.

Despite these reductions, H.R. 2404 maintains current levels of assistance to promote and secure peace in the Mideast. It contains a number of key policy provisions, including new initiatives on the Arab boycott, on antiterrorism, and on arms sales.

For Israel, this legislation earmarks $3 billion in economic and military assistance. This aid is the single most tangible symbol of America's commitment to Israel, providing that country with the military and political support it needs to take the risks for peace. At this critical juncture in the Mideast peace process, any reduction in aid to Israel would seriously undermine Israel's position at the negotiating table.

H.R. 2404 also recognizes that one of our most important foreign policy challenges is the success of political and economic reform in Russia and the other former Soviet Republics. To assist these reforms, it authorizes $900 million—a fraction of what we would need to spend if these reforms fail and our national security is again threatened.

It needs to be emphasized that H.R. 2404 authorizes this amount for Russia while still providing an overall level of foreign assistance well below the 1993 appropriation. This was achieved through significant and difficult cuts in other foreign aid programs.

Furthermore, H.R. 2404 recognizes the need to reform our foreign aid programs to effectively meet the challenges of the post-cold-war world. The bill requires the Clinton administration to submit a foreign aid reform package within 60 days after passage.

Mr. Chairman, foreign aid is always a difficult vote. But we need to keep in mind that foreign aid is only 0.9 percent of the overall U.S. budget. It is a cost-effective way to strengthen our allies and secure our strategic national interests, without having to commit troops to volatile regions of the world. It also promotes democracy and opens foreign markets to U.S. exports.

Furthermore, 73 percent of all foreign aid dollars are spent in the United States—creating jobs, supporting U.S. businesses, and boosting the U.S. economy. In fact, over $347 million in foreign aid is spent every year in my home State of Pennsylvania.

Mr. Chairman, H.R. 2404 will help to ensure that the United States meets the new challenges that it will encounter in the post-cold-war era. It will also reaffirm our Nation's longstanding commitment to democracy and economic freedom worldwide. For these reasons, I ask my colleagues to support the final passage of this legislation.

Mr. GILMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired for general debate.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SAWYER] having assumed the chair, Mr. MCDERMOTT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2404) to authorize appropriations for foreign assistance programs, and for other purposes, had come to no resolution thereon.

INTERNATIONAL RELATIONS ACT OF 1993

The SPEAKER pro tempore. Pursuant to House Resolution 196 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 2333.

The Chair designates the gentleman from Maryland [Mr. MFUME] as Chairman of the Committee of the Whole and requests the gentleman from Washington, Mr. MCDERMOTT, to assume the chair temporarily.

□ 1956

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2333) to authorize appropriations for the Department of State, the U.S. Information Agency, and related agencies, to authorize appropriations for foreign assistance programs, and for other purposes, with Mr. MCDERMOTT (Chairman pro tempore) in the chair.

The clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. BERMAN] will be recognized for 30 minutes, and the gentlewoman from Maine [Ms. SNOWE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2333, the State Department and Related Agencies Authorization Act for Fiscal Years 1994 and 1995. The bill before us today represents the culmination of several months of hard work among majority and minority Members and staff. This bill represents, I believe, what is largely a bipartisan product. With this in mind, before proceeding to outline some of the major provisions of the bill, I would like to express my appreciation to Ms. SNOWE, the distinguished ranking member of the Subcommittee on International Operations, for her cooperation and support.

This bill provides basic authorization for fiscal years 1994 and 1995 for the operating expenses of the Department of State, the U.S. Information Agency, the Arms Control and Disarmament Agency, and the Agency for International Development. The bill provides no authorization for bilateral foreign assistance programs. These will be the subject of the Foreign Assistance Authorization Act, which is being considered separately. The bill before us is, as we sometimes call it, the bureaucracy bill. The policy bill precedes it.

The bill before us, in budget terms, adheres in its authorization levels to the limitations and assumptions of the fiscal year 1994 congressional budget resolution. This means that the committee-reported bill offsets every add on above the levels assumed by the budget resolution with a corresponding cut. This is simply a reflection of the reality that the days are long gone when we could add things to authorization requests without showing the Appropriations Committee how we intend to pay for them.

The funding provisions of the bill itself are austere, to say the least. The administration's budget request constitutes a hard freeze to all operating accounts. The committee-reported bill makes further cuts to the two principal State Department operating accounts, and personnel reductions in bureaucracy, so as to preserve essential programs. The bill would constrain the Foreign Service bureaucracy in the one area in which abuses have become egregious: Personnel.

The Senior Foreign Service has now grown to historic highs, out of all proportion to genuine need. It now constitutes nearly 10 percent of the Foreign Service work force, compared to the less than 1 percent the SES constitutes of the Civil Service work force. By the Department's own account, 75 FSO's were promoted into the senior ranks last year with no jobs to send them to; 912 people at State currently consume nearly $200 million in pay and benefits, or nearly 20 percent of the salary account. The Department is closing posts, but promoting unneeded seniors. AID and USIA have similar problems. State's Washington bureaucracy has exploded in the last decade. The bill seeks to halt and reverse this process. It includes statutory personnel ceilings similar to those enacted in annual Defense authorization acts.

The centerpiece of the bill, in my opinion, is its provision for organizational flexibility. For the State Department, the bill as drafted provides a degree of organizational and managerial flexibility virtually unmatched amount the cabinet agencies. It authorizes all subcabinet appointments the Department has requested, and allows the Secretary to shuffle and reshuffle positions, bureaus and offices in any way he sees fit. With rare expectations, the bill would repeal all statutory micromanagerial provisions which preserve existing positions and organizations at State. It evidences our willingness, in a time of extreme fiscal constraint, to allow the executive branch to organize itself in the most efficient way possible, subject to notification.

Concerning section 132(1) dealing with the reorganization of the Bureau on Communications and Information Policy [CIP], I understand that there is still a discussion within the executive branch about maintaining the status quo between agencies that deal with international communications issues. It is not the intent of the committee to change the interagency status quo, but merely to vest responsibilities and authorities that currently are vested in CIP and exercised by the Department of State, into the Office of the Secretary of State. if, however, the executive branch after further review feels that the language in the bill is inadequate, I believe the committee will certainly be willing to undertake to revise the legislation during the remainder of the legislative process.

This bill authorizes appropriations for U.S. contributions to international organizations and peacekeeping. Among the organizations it would provide for is the U.N. Population Fund [UNFPA]. This is a controversial subject, and this would be the first time in many years that we would contribute to UNFPA. Because of our concern about the appalling record of the Chinese Government in population activities, our desire to send a message that UNFPA ought not to lend its imprimatur to that program, and our concern that UNFPA cannot realistically play a constructive role in China, our bill would authorize the full amount requested for UNFPA but would without the entire amount that UNFPA spends in China until it withdraws from there entirely. Our bill would also prohibit spending any of our money in China, and would require separate accounts. I believe that this is a way for us to send a strong message to UNFPA that we do not want it involved in China, indeed penalizing it for continuing there by withholding a quarter of our contribution, while allowing us to support the essential voluntary population activities which UNFPA performs in every other country. Voluntary family planning is the hallmark of the organization, and it serves to enhance the freedom and productivity of women around the world, as well as reducing the prospects of underdevelopment and instability posed by rapid population growth.

Among major policy issues, the bill's title III provides for the revitalization of the Arms Control and Disarmament Agency, based on legislation introduced by Congressman LANTOS and myself. I want to commend Congressman LANTOS for his work on this provision.

Over the last several months, the administration has been reviewing various options concerning ACDA's future. I was delighted when Secretary Christopher recently informed me that he had decided to keep ACDA as an independent agency and to revitalize it. ACDA has played a vital role in pursuit of important national objectives in arms control and disarmament. With the end of the cold war, ACDA's mission is no less important.

Title III of this bill is the product of an agreement among the administration, Congressman LANTOS and myself

about the kinds of institutional changes necessary to revitalize ACDA. I want to make absolutely clear that nothing should or will be done that in any way undercuts the primacy of the Secretary of State.

Let me briefly summarize what this provision contains. It first makes clear that the Director of ACDA has primary responsibility for U.S. participation in all international negotiations and implementation forums in the fields of arms control and disarmament. It is my belief that the conduct of arms control negotiations makes the most sense in the hands of the Agency with the greatest expertise in the field—ACDA. The bill provides for the appointment of special representatives within ACDA to a conduct current and future arms control negotiations, such as a comprehensive nuclear test ban treaty, and to advance vital arms control objectives such as the indefinite extension of the NPT.

The bill also makes clear that nonproliferation is a vital subset of arms control. I fully expect that ACDA's role will be central in the development of our nonproliferation policy and activities, both on the supply side through export controls and on the demand side by promoting policies which deal with the political motivations underlying those who seek weapons of mass destruction.

Let me also point out that due to time constraints, agreed upon language reaffirming ACDA's responsibility to coordinate the U.S. Government's research and development relating to arms control and nonproliferation, as well as consolidation of the number of reports for which ACDA is responsible, are not included. I intend to correct this inadvertent ommission in conference.

Included in the bill is my legislation—the International Broadcasting Act of 1993—which I introduced in March with the intent of providing a broad and flexible outline for our broadcast services as we work to restructure their mission and organization.

Today, the President announced a plan for restructuring our international broadcast services that can be endorsed by the broad range of those with an interest in the future of broadcasting. The fact that the plan was drafted by both U.S. Information Agency Director Duffey and Board for International Broadcasting Chairman Dan Mica sends a strong signal that a reorganization to address the political and technological challenges of the post-cold war era need not undermine the individual and unique missions of our various broadcast services.

I know that some Members, including my friend, Mr. PORTER of Illinois, are concerned at certain aspects of the President's plan and wish, as I do, to have appropriate time to examine the details of this bold and far-reaching initiative. In the next few weeks, I intend to hold hearings to allow Members the opportunity to assess and analyze the plan with a view to crafting a legislative substitute for the current provisions contained in the International Broadcasting Act of 1993.

A less visible, but no less important part of this bill is the authorizations it provides for the educational and cultural exchange activities of the United States including the very well-regarded Fulbright programs. These have yielded inestimable benefit to our national interests in terms of the good will and understanding of the United States that they have generated, as well as allowing our own people to acquire the sophisticated understanding of the rest of the world which the people of a democracy and a great power must have. Our exchange programs provide among the best value for money of our foreign affairs funding.

Because this interchange between the peoples of the United States and of other countries is so important, and because there are real limits on the amount of Government funding that can be found for such activities, I consider all the more important the private efforts of Americans to communicate with the peoples of other nations, whether traveling individually, working through educational institutions or through churches, sharing music and other art forms, or trading in publications or sharing information electronically.

Because of my strong belief that such private initiative is an important enhancement of Government funded efforts, and because I believe that Americans have a constitutional right to engage in such activity, the bill had included provisions to clarify current law which permits trade in nonsensitive information, and would have established the freedom to travel and to engage in certain other educational, cultural, scientific, and religious exchanges, regardless of whether we approve of the government of a country or not. It is my firm belief that our disapproval of a particular government is all the more reason to communicate directly and privately with its citizens. I consider it particularly important that Americans should be free to travel, except in times of war or other danger.

I offered an amendment at committee to delete such provisions in response to a request of the Secretary of State which "endorse(d) the underlying objectives of the Free Trade in Ideas Act"; "affirm(ed) the administration's commitment to the dissemination of information and ideas as a significant element in the promotion of democracy, a central tenet of our foreign policy"; and noted that "the free flow of ideas and information is also consistent with the maintenance and enforcement of economic embargoes" and "can advance rather than hinder the foreign policy goals which embargoes seek to accomplish." The Secretary of State has proposed an expeditious interagency review, in consultation with us, to identify the regulatory and statutory changes which would serve our shared values. I welcome this commitment, and look forward to the administration and the committee taking up legislation as soon as feasible.

A number of issues which have surfaced since committee markup have been resolved by staff in the intervening weeks. These will be the object of an en bloc amendment, agreed to with the minority, which I will offer at the appropriate time.

□ 2000

In closing, Mr. Chairman, let me simply point out that we expect that the rule that will be adopted subsequent to this time will make in order certain amendments. Included in those amendments will be a joint amendment sponsored by the gentlewoman from Maine [Ms. SNOWE] and myself and the gentleman from Minnesota [Mr. PENNY], which will make significant additional cuts in this already dramatically pared down bill.

□ 2010

The consequence of those cuts will be that this legislation, if that amendment is adopted, will be below the appropriated, not the authorized, but the appropriated, level of last year, fiscal year 1993, this in spite of the fact that a number of areas, like refugees and the promotion of democracy.

There are significant increases in this bill. I think this bill represents a very good example in the manifestation of fiscal prudence and addressing the problems of bureaucracy, of seeking to, in fact, reinvent government, and with that, Mr. Chairman, I reserve the balance of my time.

Ms. SNOWE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at the outset, I would like to thank Chairman BERMAN and his staff for his diligent efforts to work closely with me and other Republicans throughout the State Department authorization process. Chairman BERMAN and I serve together on the International Operations Subcommittee, where I am the ranking Republican. This is the subcommittee that drafts the State Department authorization bill which, under the rule we are now considering as a separate piece of legislation.

Our subcommittee has a long bipartisan tradition, and this bill is no exception. This tradition goes back through the 8 years I have served as ranking member, and beyond when Congressman GILMAN, served in that role. I would also like to acknowledge the positive contributions of all of the members of the subcommittee, who

provided valuable in drafting this bill. And finally, I would like to thank Congressman GILMAN, the ranking Republican of the full committee for his assistance, together with the assistance of Chairman HAMILTON.

Over the past 8 years, the Subcommittee on International Operations has always succeeded in passing this biennial authorization bill. Let me emphasize that the State Department authorization bill is not the foreign aid bill. The fiscal year 1994–95 State Department bill authorizes the budgets and operations of the foreign affairs agencies, as well as U.S. contributions to international organizations.

While all of the State Department bills I have worked on have been bipartisan and fiscally responsible, this is the most fiscally austere bill by far that we have ever brought to the floor. The original administration request was already virtually a hard freeze at the fiscal 1993 appropriated level. Increases were only permitted for selected areas such as population assistance, refugee programs, and inflation for assessed contributions for international organizations and international peacekeeping operations. In the subcommittee draft bill, we took additional cuts of $111 million.

However, with an overall funding level of $7.3 billion, the bill does remain $77 million above the fiscal year 1993 appropriated level. Given the current fiscal environment and probable appropriation levels, I am pleased that Chairman BERMAN and I will be offering additional cuts tomorrow during the amendment process to bring the bill's funding down to the fiscal year 1993 appropriated level, or lower.

MEMBER INITIATIVES

This bill retains the core of the administration's request, providing the executive branch the organizational flexibility it will need to implement the funding reductions contained in this bill without harming U.S. foreign policy interests. At the same time, the bill contains a range of Republican and Democratic legislative initiatives to improve management practices and accountability in all of the foreign affairs agencies.

For instance, this bill will require a minimum of a 15-percent cut in the bloated ranks of the senior Foreign Service. If normal attrition rates occur over the next 2 years, a 15-percent reduction in the senior Foreign Service can be made without firings. There are currently 912 members of the senior Foreign Service at the State Department out of a total officer corps of about 4,500. This means that officers with the rank equivalent of a general comprise over 20 percent of the Foreign Service. Put another way, the State Department has less than 1 percent of the Federal work force, but has more than 10 percent of all senior-grade positions in the U.S. Government.

This reduction in the senior Foreign Service will be increased in the future pending the result of a GAO study of all senior positions at State Department, which we also require in this bill. If that study discovers a significant number of overgraded State Department positions, the next bill will have a firm number for further substantial reductions in the senior Foreign Service.

In addition to legislative limits on the number of Undersecretaries and Assistant Secretaries, this bill also includes, for the first time, limits on the number of midlevel Deputy Assistant Secretaries. At the beginning of the year, the State Department had an historically high 93 Deputy Assistant Secretaries. This bill would force the Department to follow through on its own plan to reduce that number to no more than 66. This will not only give State Department management the tools to force personnel reductions, it will also protect against the kind of bureaucratic bracket creep we have seen over the past decade and more.

For the agencies that are new to this bill—ACDA and AID—this bill extends to them the kind of reprogramming control and authorization requirement that have long been in force for the State Department and USIA.

SNOWE INITIATIVES

Let me highlight several initiatives I have included in the bill. First, I have included the text of two bills I have introduced, with Chairman BERMAN as cosponsor, on women's human rights issues. The first directs the State Department to give greater prominence to women's human rights issues within the human rights bureau. Until recently, the human rights community has failed to recognize the extent to which human rights abuses are targeted at women worldwide. Too often, such abuses have been excused as social or cultural matters not relevant to the conduct of relations among states. This provision specifically calls for the appointment of a women's human rights advocate within the bureau to carry out the purposes of the bill.

The second bill establishes comprehensive standards for increasing attention to the needs of women and children refugees, who together make up 80 percent of the world's refugee population. Frequently, women and children refugees are double victims. First, they are the most vulnerable to repression or civil unrest in their own country. Then, upon fleeing their own country they may find themselves once again victims of abuse while in exile. This provision would call for the State Department to put all its efforts behind the full implementation of the 1991 UNHCR's Guidelines on the Protection of Refugee Women.

I have also included another major legislative initiative in this legislation. The subcommittee draft bill includes most of the text of the Terrorist Interdiction Act of 1993, which I introduced together with Mr. GILMAN and Mr. MCCOLLUM. This bill addresses weaknesses in the State Department's consular operations and lookout system that become so apparent in the case of the radical Egyptian Sheikh Abdel Rahman. The provision requires modernization of State's antiquated microfiche lookout system within 6 months of enactment. It also calls for personal accountability for human failures to keep out dangerous individuals such as Abdel Rahman.

The one portion of the bill that was not included would have made known members of terrorist groups automatically excludable from entry into the United States. This critical portion of the bill falls under the jurisdiction of the Judiciary Committee, where BILL MCCOLLUM will be working for action later this session. I would like to emphasize the importance of this key provision because of an unfortunate change in law that took place in 1990. At that time, the law was changed to allow exclusion from the United States only individuals the Government could prove were personally involved in past terrorist acts or who were thought to be planning a terrorist act in the United States.

As the Sheikh Rahman case shows, this is an unreasonably high standard. During State Department briefings on what went wrong with the admission of Sheikh Abdel Rahman, a State Department official acknowledged that even if the lookout system had worked properly, they still might not have had firm legal authority to prevent his entry to the United States. This is because Sheikh Rahman was merely a known associate of terrorists, and while he preached violence, he was not known to have been personally involved in specific terrorist acts.

Finally, the bill contains policy language I drafted calling upon the President to take quick action on the disturbing findings of March 1 report of Dick Thornburg, the former U.N. Under Secretary General for Administration and Management. During his year tenure at the United Nations, Secretary Thornburg found the organization almost totally lacking in effective means to deal with fraud, waste, and abuse.

One of his major recommendations was the creation of a strong and independent U.N. inspector general. As someone who was involved in creating a similar post at the State Department, I know how important such a position can be. This problem is particularly disturbing given the hundreds of millions that we are currently infusing into the U.N. system to pay off past arrearages, as well as our status as the single largest donor of U.N. funding.

CONCLUSION

I would like to thank Congressman SOLOMON and other members of the

Rules Committee for agreeing to my strong request that the rule decouple the State Department and foreign aid authorizations. These two bills have always before been separate, and deserve separate consideration, which they will now receive. I only wish this decision had been made earlier, which would have allowed us to bring the State Department bill to the floor on a fully open rule. But at least on the State Department portion of the bill, no Members have been denied their right to offer amendments that were submitted by yesterday's noon deadline.

Again, I would like to congratulate Chairman BERMAN for his cooperative work on this bill. Obviously, we cannot agree on all issues in this complex legislation, and Members will certainly have differences of opinion on specific provisions or amendments. But taken as a whole, I believe this legislation deserves broad bipartisan support even given our serious fiscal constraints.

Mr. Chairman, I urge support for the bill.

□ 2020

Mr. BERMAN. Mr. Chairman, I yield 3 minutes to my friend, the gentleman from Ohio [Mr. SAWYER], a member of the Committee on Foreign Affairs.

Mr. SAWYER. Mr. Chairman, I wish to thank the chairman of the subcommittee and rise in strong support of the legislation before us. Through the efforts of Chairman BERMAN and Chairman HAMILTON and their staffs, the report contains language on the plight of some 3 million refugees in former Yugoslavia.

The provisions of this language have a couple of facets. First, it provides for a documentation mechanism for refugees and a further accounting mechanism for threatened populations.

These are the kinds of steps that are needed if our resolutions on right of return and the prosecution of war crimes are to have any practical meaning in a disorderly world.

The message this provision sends is straightforward. We and the community of nations care about these people, and together we are keeping track of them. It sends a warning to aggressors and would-be aggressors that they will be held accountable for their actions and that we will gather the necessary information to hold them accountable.

Joseph Stalin is once said to have remarked that a single death is a tragedy, but 1 million deaths is a statistic. We need to send a message to the dispossessed and the threatened that they will not become a statistic in this horrible accounting of human disaster.

Refugee situations, if they are allowed to fester, not only remain as burdens on our collective conscience for decades and centuries. They also pose threats to human well-being, to political stability, and to a fundamental sense of peace, not only in former Yugoslavia, but, as we have heard earlier, in Afghanistan, in Kashmir, and, most recently, in Liberia.

This provision lays the groundwork for the restitution of refugees. By keeping an eye out for population movements and displacements, it can also serve as a key element in an early warning mechanism that the world urgently needs.

I would urge my colleagues not only to support the legislation before us, but to join in formulating other new initiatives to improve international responses to the many new unfamiliar challenges that we face in the post-cold war era.

Ms. SNOWE. Mr. Chairman, I yield 5 minutes to the gentleman from New York, the ranking Republican on the Committee on Foreign Affairs.

Mr. GILMAN. Mr. Chairman, I thank my good friend, the distinguished chairman of our Foreign Affairs Committee, the gentleman from Indiana, [Mr. HAMILTON], for the consideration and cooperation he has extended to all members of our committee with regard to this measure. I also want to commend the distinguished chairman of our Subcommittee on International Operations, the gentleman from California, [Mr. BERMAN] and the committee's ranking member, the gentlelady from Maine [Ms. SNOWE].

H.R. 2333 is a 2-year authorization for the State Department, USIA and related agencies with a number of important provisions.

The bill strengthens our State Department's ability to prevent terrorists and other criminals from entering the United States by improving the process for screening visa applicants.

H.R. 2333 enables the State Department to fully computerize its system for screening visa applicants—provides for access to the FBI's information database—and pinpoints responsibility for ensuring that such screenings are actually performed.

This bill which is below the President's request by approximately $100 million authorizes $7.3 billion for fiscal year 1994 and $7.8 billion for fiscal year 1995. But I believe further savings can be achieved—and I expect to support an amendment to reduce these amounts further that will be offered by the chairman and ranking member of the Subcommittee on International Operations.

H.R. 2333 also gives the Secretary of State unprecedented flexibility to reorganize the Department to reflect new post-cold war challenges and priorities.

While I generally support their objections, I am concerned about the effect of this reorganization on a key unit in the State Department—the Office of Coordinator for Counterterrorism.

The terrorist bombing of the World Trade Center killed six persons, one of them a constituent of mine, injured thousand more, and left more than $600 million in property damage and lost business.

This incident demonstrated our Nation's vulnerability to terrorism here at home.

Since then, the FBI has arrested several members of the Abu Nidal faction who were planning to attack the Israeli Embassy in Washington, and we all are aware of the planned attempt on President Bush during his recent visit to Kuwait.

The terrorist threat to American citizens and property is real and deadly.

Yet, under the proposed State Department reorganization, the Office of Coordinator for Counterterrorism, which now reports directly to the Secretary, will be downgraded to the level of a deputy assistant secretary.

Instead of focusing on combating terrorism throughout the world, this unit will be part of a multiple function office for Narcotics, International Crime and Terrorism.

Many experts on terrorism believe that the United States has succeeded in limiting terrorist incidents on our soil because it has given the issue a top priority and not buried it within the bureaucracy.

Downgrading it by three levels will send precisely the wrong signal to both friends and foes around the world.

At the appropriate time, I will offer an amendment that maintains the Office of Coordinator for Counterterrorism as a separate unit within the State Department, reporting directly to the Secretary.

My amendment signals that our Nation will continue to treat international terrorism with due attention at the highest levels of government, and will not bury it within the State Department bureaucracy.

Accordingly with these amendments in mind, Mr. Chairman, I urge my colleagues to fully support H.R. 2333.

□ 2030

Ms. SNOWE. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HORN].

Mr. BERMAN. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. HORN].

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The gentleman from California [Mr. HORN] is recognized for 14 minutes.

Mr. HORN. Mr. Chairman, enactment of H.R. 2404, the Foreign Assistance Authorization Act for fiscal year 1994, and H.R. 2295, the Foreign Operations Appropriations Act for fiscal year 1994, is necessary to continue the great progress toward democracy around the world.

One of the cornerstones of American foreign policy must be to help the emerging democracies throughout the world. There is a compelling moral case for aiding Russia and the newly

independent states of the former Soviet Union as well as for sending aid to Eastern Europe and the Baltic States.

In terms of America's long-term economic viability and national security, nothing is as important as our relationship with Russia, the Ukraine, and the other republics of the former Soviet Union. The $2.5 billion in foreign aid recommended for Russia and her sister republics is a small price to pay to help keep Russia on the track of reform and democratization.

The legislation's recommendation for $400 million for Eastern Europe and the Baltic States is also a prudent investment in those emerging democracies which our Nation and Congress sought so long to help free.

The consequences of Russia reverting to dictatorship or disintegrating into anarchy would be a great setback for our economy, our national security, and a peaceful world. The peace dividend would evaporate and military spending would almost certainly have to increase. The shadow of nuclear threat might once again darken the world.

In this century, Americans have fought and died in four wars which were started by totalitarian and authoritarian regimes. If we have learned anything from history, it is that democracies do not go to war against each other.

Thus, the success which the people of the former Soviet Union will have with political and economic reforms will be our success as well. It is manifestly in our self-interest that the former Soviet Union, Eastern Europe, and the Baltic States will become stable and democratic. The economic benefits of democracy becoming rooted throughout the former Soviet Union and Eastern Europe are clear: These countries are having and will continue to have tremendous investment and export potential for the United States—and that means job creation for the American people.

Let us face facts. Russia lacks a democratic heritage. We are hoping for democracy to take root, but the political soil is infertile and the economic climate is harsh. When it comes to Russia, we have to guard against letting our emotions cloud our judgment. Naturally, we exult that communism has failed, and we thrill at the unexpected emergence of democratically elected leadership.

But, it is not automatic that democracy will prosper and new fledgling institutions will grow strong. Let us not forget how the promising democracy of the Weimar Republic dissolved into Nazi Germany—the greatest totalitarian menace of our century. And just as Weimar Germany collapsed into hyperinflation, and democratic institutions disintegrated, so too is Russia experiencing economic hardships that threaten her political progress.

Our Western European partners remember history and are rushing to provide the former Soviet republics with assistance. America must also back its commitment to democracy and freedom in Russia not with high-sounding words, and not with fervent emotion, but with the financial and technical assistance needed to stabilize Russia's economy. Helping Russia today is an insurance policy for America's future, and we must be prepared to pay the premium.

The moral case for continuing United States foreign aid to the State of Israel in the form of $1.8 billion in military assistance and $1.2 billion in economic assistance is clear. Israel is one of our best friends and allies. She has voted with the United States in the United Nations more often than any other member nation. Israel shares our values, and Israel has consistently been the only stable democracy in the Middle East. Israel is alone among her neighbors in providing the freedoms that we in the West take for granted.

A 1992 survey titled "Freedom Around the World" issued by Freedom House—a well-respected national organization—analyzed all aspects of political rights and civil liberties in the Middle Eastern countries. The Freedom House survey rated Israel free. Of the 20 nations comprising the Arab League, the 12 dictatorships were rated not free and the 8 remaining countries were rated partly free.

In addition to being a stable democratic ally, Israel is also a valuable strategic ally. Both President Clinton and former President Bush, in their separate meetings with the Prime Minister of Israel over the course of the last year, have explicitly reaffirmed that Israel is strategically important to our country.

Moreover, both Secretary of Defense Les Aspin and former Secretary of Defense Dick Cheney have made enhanced strategic cooperation with Israel a priority for American defense policy. President Clinton, Secretary Aspin, and this Congress recognize that Israel's strategic value to the United States increases rather than decreases in the turbulent post-cold-war world.

Israel's strategic importance has been well tested. Israel has provided invaluable human and technical intelligence to the United States based on her combat experience in previous Mideast wars where the Israeli defense forces successfully used American equipment against Soviet weapons on land and in the air.

This intelligence, as well as joint American-Israeli desert training exercises, were of critical assistance to the United States-led coalition victory in Operation Desert Storm. From the United States Navy's use of Israeli-designed drones to Israeli improvements of United States combat aircraft, Israel played a crucial role in assisting our victory in the gulf. Moreover, our forces would have faced possible nuclear attack had Israel not destroyed Iraq's nuclear facility in 1981.

United States-Israeli cooperation is essential if we are to achieve our mutual goals of combating surface-to-surface ballistic missiles and fighting terrorism.

Compared to our defense commitments to other allies, aid to Israel is a bargain. Some have estimated that we have spent more than $100 billion a year to support NATO—the North Atlantic Treaty Organization to defend Western Europe against Soviet aggression. Additionally, it is estimated that we have been spending almost $15 billion a year to defend the Pacific and another $19 billion a year to defend South Korea. In the gulf war, approximately $61 billion was spent by our allies and ourselves. Mr. Chairman, $3 billion a year to Israel to assure that there is some democracy in the Middle East is absolutely in our national interest.

With the U.S. Defense budget being reduced, America's global force projection capabilities are more limited. Consequently, our ability to respond quickly to regional crises is diminished.

It is comforting to know that we can count on Israel to help us provide a vital swing force in the event our interests are at stake in the Eastern Mediterranean, the Arabian Peninsula, North Africa, or the Suez Canal. Strategic cooperation with Israel will therefore continue to be a cornerstone of American defense policy.

Israel has been called "an island of democracy in a sea of hate." The current peace negotiations between Israel and her neighbors will hopefully stem the tide of that sea of hate and bring on full recognition of the State of Israel and full peace.

However, the Arab nations have expressed the hope that the United States will deliver Israel at the peace negotiations. Under the circumstances, I do not believe that Israel's Arab neighbors will make the compromises necessary for full peace unless they fully understand that America stands squarely behind Israel. Reaffirming military and economic aid to Israel will send the right message to the Arab countries that they must negotiate in good faith, and such aid will reassure Israel at a time when she has offered to take considerable risks for peace.

While America has compelling moral, political, and strategic interests in continuing our foreign aid to Israel, we have vital economic interests as well. The American people agree that aid to Israel is in our national interest. In January 1991, a CBS News/New York Times poll found that 83 percent of Americans believed that America should maintain or increase its aid to Israel.

Despite the overwhelming public support for continuing assistance to Israel, the issue of foreign aid remains a favorite target for some pundits in the media as well as for some demagogues in the political arena. The most frequently voiced argument against foreign aid is: How can America ship dollars overseas in light of our pressing domestic problems and huge Federal deficit?

A fair cost-benefits analysis of our foreign aid program provides the answer: At less than 1 percent of the U.S. budget, foreign aid is an investment in the American economy, a real bargain for what America gets in return, and a true jobs stimulus program for the American people. And of all the foreign aid recipients, the American taxpayer receives a greater return on his or her investment in aid to Israel than from any other country. Here are the economic facts:

Seventy-three percent of all foreign military and economic aid is spent in the United States—buying American products and providing jobs for Americans. In Israel's case, $2.5 billion—or 83 percent of the annual $3 billion in aid to Israel—never even leaves the United States and is spent in 43 States buying American products made by American workers. From 1987 to 1991, Israel spent over $680 million in California in military purchases. In 1991, Israel spent over $200 million in California.

Tens of thousands of Californians have jobs because of foreign aid and because of aid to Israel in particular. Over 750 California aerospace, defense, and high-technology firms greatly benefit from the military assistance we give allies such as Israel.

Foreign aid has also dramatically increased our exports. Between 1986 and 1990, U.S. exports to countries receiving foreign aid increased by 70 percent. In 1992, over 1.4 million jobs in California—our Nation's biggest exporter—were attributable to exports of over $68 billion.

Mr. Chairman, in light of these compelling arguments for aid to democratic states during a very uncertain period internationally, I urge my colleagues to vote "yes" on H.R. 2404, the Foreign Assistance Authorization Act, and H.R. 2295, the Foreign Operations Appropriations Act.

□ 2040

Mr. BERMAN. Mr. Chairman, I am happy to yield 3 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding time to me, and I want to commend the gentleman from California [Mr. BERMAN] and the ranking minority member [Ms. SNOWE] for their leadership in bringing this very important legislation, the State Department authorization, to the floor.

Rising today in support of this authorization, I want to also recognize the leadership of the gentleman from Indiana [Mr. HAMILTON], the chairman of the full committee, for the foreign aid authorization bill that was brought to the floor earlier. Just for a moment, if the subcommittee Chair and ranking member would indulge me, I would just concentrate on the foreign aid authorization bill for a moment before proceeding to their bill.

Mr. Chairman, it has been said that the three biggest foreign policy challenges that our country faces are Russia, Russia, and Russia. For this reason, I wish to commend our President for his leadership early in his administration, the leadership that he took in supporting President Yeltsin and giving a boost to democracy and democratic reform in Russia, and the commitments that he made in British Columbia. Because of those, it behooves us to meet the challenges and to meet the commitment that the President made.

For that reason, I am very, very pleased to see the support that is coming to this legislation. It seems to me it is easier this year, Mr. Chairman, to gather the support for the foreign aid authorization bill, because I believe that our Members and their constituents, while foreign aid is not particularly the most popular subject in most everyone's district, we recognize it is in our own self-interest, the interest of our country, that Russia remain democratic and democratic reform proceed apace, and that it is necessary for us to help if that is going to happen, so I am pleased with that aspect of the foreign aid bill.

I am also pleased that even though times are tough, we recognize how important our commitment to the State of Israel and Egypt, honoring the commitments to Israel and Egypt, are to our country and in our country's interest, and that we are able to fund them at the levels that they are in the legislation.

My colleagues have very eloquently gone through the provisions of the foreign aid bill, and there are many reasons to be supportive of it. I particularly am not supportive of the Cuban section in the bill, but for the most part, that will be a small exception to, I think, a very, very worthwhile bill with which I have much agreement.

As far as the State Department authorization legislation, I particularly want to thank the chairman and the ranking member, Ms. SNOWE, for their generosity and the recognition that they gave to the Asia Foundation in putting in $19 million as part of this legislation. They did this, as well as very generously supporting the President's request for the National Endowment for Democracy, with a very strong increase there.

Both of these organizations do a great job in helping newly emerging democracies build democratic institutions. Other Members have said earlier that it is not enough for the Berlin Wall to come down and the cold war to end. We cannot take anything for granted. Our previous speaker, the gentleman from California [Mr. HORN], mentioned how the Weimar Republic turned into Nazi Germany, and these democracies are indeed fragile. They reach out to us for the kind of assistance that organizations like the Asia Foundation and the National Endowment for Democracy are particularly well-suited to provide.

For that reason, again, I want to extend my thanks to the chairman and the ranking member for their assistance there.

If I might just say a word about the Asia Foundation, I believe that the work of the National Endowment is recognized throughout the world. We have to place special emphasis on Asia, as a California Representative in Congress, and I again want to reiterate my thanks and appreciation to the chairman.

I see my time has expired. I urge my colleagues to support the State Department authorization bill.

Ms. SNOWE. Mr. Chairman, I yield the remainder of my time to the gentleman from Arizona [Mr. KYL].

The CHAIRMAN pro tempore (Mr. MCDERMOTT). The gentleman from Arizona [Mr. KYL] is recognized for 5 minutes.

Mr. KYL. Mr. Chairman, I thank the gentlewoman for yielding time to me. There was not sufficient time during the debate on the aid package to speak, so my comments do relate to that, and not to the State Department authorization.

First I would like to say that I concur with the remarks of the gentleman from California [Mr. HORN] with respect to our assistance to Israel, and want to commend him for the depth and understanding in those remarks.

The second point I would like to make is that I have supported efforts to assist Russia, especially in dismantling its military machine, and in particular the nuclear dismantlement issues, and in fact led a delegation to Russia on behalf of the Committee on Armed Services to try to find ways to assist them to do that.

However, this evening, I want to speak about this aid package to Russia, which I think is in excess by about $700 million, and to suggest that I proposed an amendment to reduce the $900 million in aid to Russia to $200 million in aid to the other Republics; in other words, to cut $700 million in the Russian aid package.

There are four reasons to reduce this aid to Russia. The first is that there is plenty of assistance that has been authorized and proposed and committed by both the United States and other nations to support Russia today. According to the General Accounting Of-

fice and other studies, the Western nations have committed about $138 billion to assist Russia.

Of that amount, approximately $16.5 billion is from the United States. President Clinton alone has promised in the Vancouver summit about $1.6 billion; in the Tokyo G–7 meeting, about $1.7 billion; and this request for 1994 new assistance, in the sum of about $900 million, for a total of about $4.1 billion.

□ 2050

This money has been committed, authorized, appropriated, except for the part that is before us this evening or tomorrow, but has not been spent because it is very difficult to find ways to economically spend this money.

So my proposal is that we reduce by $700 million the aid proposed in this Russian package until such time as there is a conclusion that we can spend that money in a way that would actually benefit the Russian people.

There are some additional reasons why I think it is important for us to examine the issue at this time. First is that Russia has not made important economic and foreign policy reforms. It has not received all of the funds authorized from the International Monetary Fund, for example, because it has failed to implement even the modest reforms that the IMF insists upon before releasing money.

Jean Foglizzio, the Director of the IMF mission in Moscow, recently stated that the IMF was unlikely to negotiate a new credit program for Moscow in the near future because of the policy conflicts between the Russian governments, Parliament, the Central Bank and other bodies. He said,

> To negotiate an agreement with a country we need to make sure the different organs of power * * * have a common view of what the future and the development of the economy should be. Today, we don't see this convergence.

He also said, and I am quoting, "It would be a big mistake for the West to offer Russia another $24 billion package as it did last year."

The situation with the IMF is not unique. World Bank President Lewis Preston announced that Russia used only $50 to $60 million of the $600 million import rehabilitation loan that was approved last November.

Both problems indicate an unwillingness to initiate the necessary reforms for economic stability. Director Foglizzio expressed concern about the Government's failure to meet the economic targets established by the multilateral organizations by saying, and again I am quoting, "Obviously the situation today in Russia is very alarming."

Saturday's Washington Post carried an article about the IMF concern about economic reform in Russia. It was evident that Russia is still not ready for loans because, as the article stated, the IMF cannot be "provided guarantees that the money will not be wasted."

Mr. Chairman, second, Russia has not undertaken important foreign policy reform. The nuclear missiles of the former Soviet Union are still aimed at America's heartland. Russia still has 30,000 tactical and strategic nuclear weapons, and despite Russia signing the START II Agreement, the CIA predicts that Russia will deploy three new missiles in the next decade, all of which will be capable of reaching the United States. The United States, of course, has stopped producing new missiles.

Next is a very important point. Russia has indicated that it wants to revise the CFE so that they can amass more troops along Russia's southern border. The targets are Ukraine, Georgia, and Moldova. General Grachow stated in Munich just last week that this is very troublesome because Russia has become a covert and an overt defender of the Serbians and the Iraqis. And Russia has repeatedly threatened to veto Security Council actions.

Russia has renewed and strengthened its economic and military ties with Iraq, Iran, China, North Korea, Cuba, and Angola. It still maintains 700 military advisers in Libya, 2,400 advisers in Syria, and advisers in Iraq.

It has declared its intention to violate the Missile Technology Control Regime by selling rocket engine technology to India. And it has reaffirmed its plan to supply Cuba with parts to operate a dangerous Chernobyl-style reactor at Cienfuegos.

In December Russia signed an arms contract with China, India, and Iran, and it has delivered a *Kilo*-class submarine to Iran, despite strong objections by the West.

The third reason, Mr. Chairman, is Russia is not doing enough to help itself. Russia has accumulated debt throughout the world and has defaulted on loan after loan, including almost 1 billion dollars' worth of credit from the Credit Commodity Corporation in guarantees to the United States. Russian companies are not investing in their own country. Instead, capital is being stashed in overseas banks. So while the West loaned Russia $17 billion last year, according to the Journal of Commerce, Russia sent $10 billion abroad. One Journal analyst questioned "whether the West is wasting much of the money it is spending helping the economy," and another stated, "It seems useless to put additional money into that economy."

Russian spending priorities are also problematic. For example, it continues to fund space programs when people here in the United States are considering reducing or eliminating funding for our space program.

So Mr. Chairman, for these and other reasons, it would be my intention to propose that we reduce the amount of aid proposed for Russia by $700 million when we vote tomorrow.

The CHAIRMAN pro tempore [Mr. McDERMOTT]. The time of the gentlewoman from Maine [Ms. SNOWE] has expired.

The gentleman from California [Mr. BERMAN] has 5 minutes remaining.

Mr. BERMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HOLDEN) having assumed the chair, Mr. McDERMOTT, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2333) to authorize appropriations for the Department of State, the U.S. Information Agency, and related agencies, to authorize appropriations for foreign assistance programs, and for other purposes, had come to no resolution thereon.

A DIFFICULT TIME TO BE A PARENT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks, and include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, as America moves toward the celebration of Father's Day, there has never been a more difficult time in this Nation to be a parent. It is very hard to find words, talking about what is the meaning of being a father or a good parent in these very trying, trying times.

And yet I really have been able to find them. Mr. Speaker, I am including in the RECORD these very moving words from Bill Coors, one of Colorado's preeminent industrialists. He talks in this article about watching the struggle in Congress over parental leave and getting angry that we did not make it mandatory. Imagine an industrialist saying that.

But he goes on to talk about his experience of being a parent, his experience of being a child, and how very key and critical this is to the future and economic building of America.

I find it amazing that Bill Coors and PAT SCHROEDER are in agreement, and this should be mandatory reading for every American as we move toward Sunday's celebration.

Mr. Speaker, the article is as follows:

TROUBLE BREWING—BILL COORS PASSIONATELY RECALLS HIS CHILDHOOD, SOUNDING LIKE A LIBERAL IN THE PROCESS

(By Ward Harkavy)

One day about thirty years ago, Bill Coors decided to kill some time by strolling through the science exhibit at a Seattle fair. There the future chairman of the Adolph

Coors Company happened upon two cages side by side. In one, a baby spider monkey cuddled with its mother, in the other, an identical baby monkey's only companion was a stuffed animal.

"That little guy was huddled up against this inert form—you can't imagine the misery," Bill Coors, now 76, recalled in a speech late last month. "I couldn't get that out of my mind."

Those who follow the Coors family's conservative politics may recall that in 1977, Bill Coors derisively referred to striking workers as "monkeys." But during his May 24 speech at Cohumbine United Church in Littleton, he wasn't talking about strikers. That miserable little monkey, Coors said, reminded him of himself.

Bill Coors has been known to be slightly more liberal than brother Joe—he supported the Equal Rights Amendment and, according to local gossip columnists, once amiably shared a banquet table with Jane Fonda. But during this hour-long talk—part of the church's monthly "A Piece of My Mind" speaker series (previous guests include ex-governor Dick Lamm, socialite/philanthropist Swanee Hunt and Denver Police Chief Dave Michaud)—Bill sounded more like a Kennedy than a Coors. The fundamentalist preachers and right-wing politicians who've been bankrolled by the Coors family would have blanched, especially at his revisionist version of the Ten Commandments.

Bill Coors passionately defended liberal ideas such as parental leave and told his audience of one hundred that, as parents, they were a major cause of society's problems. His message to youth? Do your own thing. His message to parents? Be permissive. In the process of issuing these pronouncements, he also gave a rare, unguarded glimpse of a pampered yet harsh childhood and a father who, like the family beer, always stayed cold.

Years ago, when Bill Coors was invited to join the American Academy of Achievement, he and other "so-called achievers" such as Liz Taylor, Alan Shepard and Tom Landry addressed 350 young students. "Each of us had to talk about something," Coors recalled, "and all of a sudden, I had a vision of this sad little monkey in Seattle. Why? My own childhood, my adolescence."

He warned the students to stand up for themselves: "I told them the only person you can't harm or deceive is that person who looks back at you from the mirror. The most important thing is self-respect. Be—and do—your own thing. Be responsible to yourself. Be what you want to be, not what someone else wants you to be.

"I had a brainstorm about Moses up on the mountain getting the Ten Commandments. I maintained that he had to have dropped and broken the eleventh commandment when he came down. If he had brought down the eleventh, he wouldn't have needed to bring the others. They all would have fallen into place. It was Love thyself, respect thyself."

The future achievers of America gave Coors a standing ovation, and many apparently took his advice. "I got nasty letters from parents," he said.

Nastiness ran in his own family, judging from Coors's self-confessional, "I look at my own experience," he told the church group. "We bring our children up exactly as we were brought up, and I've got three very badly screwed-up daughters—one committed suicide, for which I take a large part of the blame."

At age fifty, when he fathered a son, he got another chance. "I made a pledge to myself," he said. "My parents—I don't think those two wonderful people were capable of telling me or anyone else they loved them. I made it a religion to tell that guy I loved him. I would tell him and kiss him, in the morning and at night. And I still do. He's now 26 and has never had any discipline—he's never needed any."

That certainly wasn't the way Bill Coors was raised. "I was at odds constantly with my family," he said. "My family was strict Germanic, and I'm telling you, they did not spare the rod. I was sad and lonely."

He dreamed of becoming a surgeon. "But my mom wanted me to be a pianist and my dad wanted me to be a chemical engineer," he said. "Naturally, Dad won and I came in third."

"After college, the last thing I wanted was to go back to Golden," he continued. "I wanted a chance to prove myself—to myself." But fearing his father's wrath, he returned to Colorado and entered the family business.

Still, he never did achieve a loving relationship with his parents. "I didn't have it, and I miss it today," he said. "It leaves scars, terrible scars." Multiply that experience by millions of others, he added, and you've got society's current "malaise."

"I look at the struggle in the Congress now over parental leave. By God, it ought to be mandatory. Our jails are filled to overflowing, our mental hospitals are filled to overflowing. They're full of people who don't like themselves."

In his own case, a teacher proved instrumental in building confidence. "At thirteen, my dad shipped me off to boarding school," he recalled, "and I was miserable and in complete rebellion, and I was doing just enough to keep from getting kicked out. I was in an advanced Latin class, and the teacher, Normal Hatch, was a holy terror—we called him 'Booby.' He had a record of having the best college entrance exams in the country. And I was his whipping boy. One day he called me his 'crow among swans.' Me. I was his crow. I remember bursting into tears. After class I was walking along, feeling sorry for myself and I heard footsteps behind me. Suddenly, there was an arm around my shoulder. It was Mr. Hatch. He asked me questions—about me. I was overwhelmed. He liked me. It was one of the great milestones in my life. I was still his crow among swans, because he had to have a crow. But I was proud to be his crow."

The lesson? "It doesn't take that much to touch a person's life."

This audience also gave him a standing ovation. Then, at the request of a church pastor, Bill Coors agreed to play something "upbeat" at the piano. It was "When You're Smiling".

TRIBUTE TO COL. WILLIAM R. HART, USMC (RET.)

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, it is with great sadness and a profound sense of respect that I rise today to pay tribute to Col. William R. Hart, U.S. Marine Corps, Ret. who passed away suddenly on May 30, 1993.

Colonel Hart was, in every sense of the word, the epitome of the military officer. Like so many outstanding officers who have proudly worn the uniform of their Nation, Colonel Hart was devoted to God, to his country, and to his family. He was a true product of smalltown America, having been born in Pandora, OH, in 1939. He earned his bachelors degree at Bowling Green University in Ohio and a master's degree from Pepperdine University in California. He went on to serve 27 years in his beloved Marine Corps with assignments which ranged from service as a White House aide to Presidents Kennedy and Johnson to two tours in Vietnam as an artillery officer. His decorations include the Legion of Merit, the Bronze Star with Combat "V" device, the Joint Services Meritorious Service Medal, and the Navy Commendation Medal with Combat "V" device.

It was not until later in his career, however, when he was deputy legislative assistant to the Commandant of the Marine Corps, that I first encountered Bill Hart. What immediately struck me about him was his demeanor and his straight-forwardness. Seldom have I ever met anyone who could so politely but persuasively make a point on an issue of importance to his service. When Bill Hart spoke, your tendency was to want to listen.

Following his retirement from the Marine Corps, Bill Hart continued his work on behalf of his fellow active duty and retired military members. First as the assistant vice president for membership at the Navy Mutual Aid Society and then as deputy for governmental relations at the Retired Officers Association, he was in the forefront of the fight to preserve veterans and retiree benefits. It was in this capacity that he often testified eloquently before the Veterans' Affairs Committee. In fact, I so respected his views that, just recently, I invited him to join with me and other committee members on a factfinding visit to military installations in the southeast United States to observe GI bill orientation briefings for new recruits in the military and to observe the transition assistance program for separating service members.

But Bill Hart was not just good on the Hill. He was, first and foremost, an outstanding spokesman for the Retired Officers Association in a multitude of venues. Just last year, he was selected by them to accompany a congressional delegation at ceremonies commemorating the D-Day invasion at Normandy. His presentation to the French hosts on behalf of his association's members who had fought and died in World War II and at Normandy was exceptional.

He leaves behind his lovely and devoted wife, Anna, and two beautiful daughters, Christine and Carla, plus his extended family—the Marine Corps. His pride and love for his family and the Marine Corps defined who he was.

Mr. Speaker, the United States, the U.S. Marine Corps, my fellow servicemembers, and all those active duty and retired personnel that Col. Bill Hart represented are better today for his efforts. We who knew him personally are saddened by his passing and share his loss with his family. To them we simply say be proud and content in the knowledge that he will not be forgotten.

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF H.R. 2333, INTERNATIONAL RELATIONS ACT OF 1993 AND H.R. 2404, FOREIGN ASSISTANCE AUTHORIZATION ACT OF 1993

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103-132) on the resolution (H. Res. 197 providing for further consideration of the bill (H.R. 2333) to authorize appropriations for the Department of State, the U.S. Information Agency, and related agencies, to authorize appropriations for foreign assistance programs, and for other purposes, and for further consideration of the bill (H.R. 2404) to authorize appropriations for foreign assistance programs and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HILLIARD (at the request of Mr. GEPHARDT) on Tuesday, June 15, from 11 a.m. to 2 p.m. on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. SNOWE) to revise and extend their remarks and include extraneous material.)

Mr. BEREUTER, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. DORNAN, for 5 minutes, today.

Mr. BARTLETT of Maryland, for 5 minutes, today.

Mr. PORTMAN, for 5 minutes, today.

Mr. GINGRICH, for 5 minutes each day, on June 15, 16, 17, and 18.

(The following Members (at the request of Ms. PELOSI) to revise and extend their remarks and include extraneous material:)

Mr. EDWARDS of California, for 30 minutes on June 17.

Mr. BECERRA, for 60 minutes on June 17.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. SNOWE) and to include extraneous material.)

Mr. ROGERS.

Mr. WALKER in two instances.

Mr. FAWELL.

Mr. BATEMAN.

Mrs. ROUKEMA.

Mrs. MEYERS of Kansas.

Mr. RAMSTAD.

Mr. CRANE.

Mr. TALENT.

Mr. KING.

Mr. BUNNING.

Mr. POMBO.

Mr. HANSEN.

Mr. GILMAN in three instances.

Mr. TAYLOR of North Carolina.

Mr. EVERETT.

Mr. GILLMOR in two instances.

Mr. BAKER.

Mr. DORNAN.

Mr. FRANKS of Connecticut.

Mr. THOMAS of California.

Mr. KLUG.

(The following Members (at the request of Ms. PELOSI) and to include extraneous matter.)

Mr. BLACKWELL.

Mr. NEAL of Massachusetts.

Mr. LANTOS.

Ms. SHEPHERD.

Mr. PAYNE of New Jersey in two instances.

Mr. CLEMENT.

Mr. SWETT.

Mr. PASTOR.

Ms. DELAURO.

Mr. HAMILTON.

Ms. HARMAN.

Ms. WOOLSEY.

Mr. SANDERS.

Mr. SARPALIUS.

Mr. FINGERHUT.

Mr. LAFALCE.

Mr. ROSTENKOWSKI.

Mr. MORAN.

Mr. RAHALL.

Mr. DELLUMS in two instances.

Mr. WYDEN.

Ms. NORTON.

Mr. TOWNS.

Mr. KLINK.

Mr. MENENDEZ.

Mr. ACKERMAN in two instances.

ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock p.m.), the House adjourned until tomorrow, Wednesday, June 16, 1993, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1427. A communication from the President of the United States, transmitting amendments to the fiscal year 1994 requests for appropriations for International Development Assistance, the Legal Services Corporation, and the Department of Justice, pursuant to 31 U.S.C. 1107 (H. Doc. No. 103-101); to the Committee on Appropriations and ordered to be printed.

1428. A letter from the Secretary, Department of Energy, transmitting a report on research and technology development activities supporting defense waste management and environmental restoration, pursuant to Public Law 101-189, section 3141(c)(1), (2) (103 Stat. 1680); to the Committee on Armed Services.

1429. A letter from the Acting General Counsel, Department of Energy, transmitting a draft of proposed legislation entitled, "Department of Energy National Security Programs Authorization Act for Fiscal Year 1994"; to the Committee on Armed Services.

1430. A letter from the Acting Assistant Secretary for Environment, Safety and Health, Department of Energy, transmitting a supplement to the draft environmental impact statement on the expansion of the Strategic Petroleum Reserve (Louisiana and Mississippi); to the Committee on Energy and Commerce.

1431. A letter from the General Counsel and Director of Congressional Affairs, Acting, U.S. Arms Control and Disarmament Agency, transmitting copies of the English and Russian texts of five implementing agreements negotiated by the Joint Compliance and Inspection Commission [JCIC]; to the Committee on Foreign Affairs.

1432. A letter from the Chief Judge, U.S. Tax Court, transmitting the actuarial report of the U.S. Tax Court Judges' Retirement and Survivor Annuity Plans for the year ending December 31, 1990, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1433. A letter from the Attorney General of the United States, Department of Justice, transmitting the Department's report on settlements for calendar year 1992 for damages caused by the FBI, pursuant to 31 U.S.C. 3724(b); to the Committee on the Judiciary.

1434. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a draft of proposed legislation entitled, "Foreign Relations Authorization Act, Fiscal Years 1994 and 1995," pursuant to 31 U.S.C. 1110; jointly, to the Committees on Foreign Affairs, the Judiciary, Ways and Means, Post Office and Civil Service, Public Works and Transportation, Merchant Marine and Fisheries, and Natural Resources.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 1340. A bill to provide funding for the resolution of failed savings associations, and for other purposes; with amendments (Rept. 103-103, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2203. A bill to amend the Public Health Service Act to extend the program of grants regarding the prevention and control of sexually transmitted diseases (Rept. 103-131). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALL of Ohio: Committee on Rules. House Resolution 197. Resolution providing for further consideration of the bill (H.R. 2333) to authorize appropriations for the Department of State, the U.S. Information Agency, and related agencies, to authorize appropriations for foreign assistance programs, and for other purposes, and for further consideration of the bill (H.R. 2404) to authorize appropriations for foreign assistance programs, and for other purposes (Rept.

103-132). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENT:

H.R. 2413. A bill to amend title 38, United States Code, to provide additional authority for the Secretary of Veterans Affairs to provide health care for veterans of the Persian Gulf War; to the Committee on Veterans' Affairs.

By Mr. EVANS (for himself, Mr. KENNEDY, and Mr. GUTIERREZ):

H.R. 2414. A bill to amend title 38, United States Code, to provide priority health care to veterans of the Persian Gulf War who were exposed to environmental hazards; to the Committee on Veterans' Affairs.

By Mr. MICHEL (for himself and Mr. SMITH of Texas):

H.R. 2415. A bill to amend title 31 of the United States Code to establish government efficiency reserve accounts and to provide for the apportionment of salaries and expenses; jointly, to the Committees on Government Operations and Rules.

By Mr. HINCHEY:

H.R. 2416. A bill to provide for the preservation, interpretation, development, and beneficial use of natural, cultural, historic, and scenic resources that are a source of values important to the people of the United States through a national partnership system of heritage areas; to the Committee on Natural Resources.

By Mr. HYDE:

H.R. 2417. A bill to reform certain statutes regarding civil asset forfeiture; jointly, to the Committees on the Judiciary and Ways and Means.

By Mr. JACOBS:

H.R. 2418. A bill to amend the Internal Revenue Code of 1986 to make permanent the section 170(e)(5) rules pertaining to gifts of publicly traded stock to certain private foundations, and for other purposes; to the Committee on Ways and Means.

By Mr. LAFALCE:

H.R. 2419. A bill to extend the sales period for the Christopher Columbus Quincentenary coin; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. MEEK:

H.R. 2420. A bill to amend the Public Health Service Act to provide for expanding and intensifying activities of the National Institute of Arthritis and Musculoskeletal and Skin Diseases with respect to lupus; to the Committee on Energy and Commerce.

By Mrs. MEYERS of Kansas (for herself, Mr. COMBEST, Mr. SKELTON, Mr. BAKER of Louisiana, Mr. SISISKY, Mr. MACHTLEY, Mr. RAMSTAD, Mr. TORKILDSEN, Mrs. JOHNSON of Connecticut, Mr. ZELIFF, Mr. EWING, Mr. KNOLLENBERG, Mr. BEREUTER, Mr. KIM, Mr. PORTMAN, Mr. SANTORUM, Mr. COLLINS of Georgia, and Mr. DICKEY):

H.R. 2421. A bill to amend the White House Conference on Small Business Authorization Act to provide additional time for conducting State conferences and a national conference under that act; to the Committee on Small Business.

By Mr. REED:

H.R. 2422: A bill to extend until January 1, 1995, the previously existing suspension of duty on certain chemicals; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 2423: A bill to amend section 3 of the United States Housing Act of 1937 to more accurately determine the median income for Rockland County, NY, for purposes of housing programs administered by the Secretary of Housing and Urban Development; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GILMAN (for himself, Mr. BONIOR, Mr. HOKE, and Mr. HINCHEY):

H.R. 2424. A bill to recognize the organization known as the Ukrainian American Veterans, Inc.; to the Committee on the Judiciary.

By Mr. FRANKS of Connecticut:

H.R. 2425. A bill to amend title 18, United States Code, to double the enhanced penalties for carrying a firearm during and in relation to a crime of violence or drug trafficking crime; to the Committee on the Judiciary.

By Ms. SHEPHERD (for herself and Mr. ORTON):

H.R. 2426. A bill to amend the Housing and Community Development Act of 1974 to authorize the Secretary of Housing and Urban Development to make partial grants under the community development block grant program to any city previously classified as a metropolitan city under such act that loses such classification because of a reduction in population, if such city provides evidence of a population increase, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WYDEN (for himself, Mrs. UNSOELD, and Mr. FRANK of Massachusetts):

H.R. 2427. A bill to amend title XIX of the Social Security Act to provide for optional coverage under State Medicaid plans of case-management services for individuals who sustain traumatic brain injuries, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. WOLF, Mr. HEFNER, Mr. DELLUMS, Mr. FILNER, Mrs. UNSOELD, Mr. MCDERMOTT, Mr. MARTINEZ, Mr. BEILENSON, Mr. YOUNG of Alaska, Mr. RAMSTAD, Mr. WALSH, Mr. GREENWOOD, Mr. TOWNS, Mr. BATEMAN, Mr. DEUTSCH, Mr. SISISKY, Mr. BARRETT of Wisconsin, Mr. RANGEL, Mr. HOLDEN, Mr. BILBRAY, Mr. COPPERSMITH, Mr. HUGHES, Mr. SLATTERY, Mr. EVANS, Mr. PARKER, Mr. BROWDER, Ms. VELÁZQUEZ, Mr. CLYBURN, Mr. FROST, Mrs. VUCANOVICH, Mr. BALLENGER, Mr. FAWELL, Mr. SCHAEFER, Mr. JOHNSON of South Dakota, Mr. DOOLITTLE, Mr. ORTIZ, Mr. MINETA, Mr. PICKETT, Mr. SCOTT, Ms. NORTON, Mr. SERRANO, Ms. MALONEY, Mr. KOPETSKI, Mr. FISH, Mr. CRAMER, Mr. GENE GREEN of Texas, Mr. HILLIARD, Mr. REGULA, Mr. RIDGE, and Ms. THURMAN):

H.J. Res. 214. Joint resolution designating September 9, 1993, and April 21, 1994, each as "National D.A.R.E. Day"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

184. By the Speaker: Memorial of the Senate of the State of Florida, relative to urging the Congress to propose an amendment to the Fair Labor Standards Act of 1993; to the Committee on Education and Labor.

185. Also, memorial of the House of Representatives of the Commonwealth of Kentucky, relative to proposed Federal legislation concerning Federal mandates; to the Committee on Government Operations.

186. Also, memorial of the House of Representatives of the State of Maine, relative to Congress of the United States to revoke its payraise, rollback its salaries to the 1989 level and repeal the automatic cost-of-living allowance; to the Committee on House Administration.

187. Also, memorial of the Senate of the State of Hawaii, relative to the Hawaiian home lands; to the Committee on Natural Resources.

188. Also, memorial of the General Assembly of the State of Nevada, relative to urging Congress to pass legislation prohibiting each State from imposing an income tax on the income from a pension of any person who is not a resident of that State; to the Committee on the Judiciary.

189. Also, memorial of the Senate of the State of Louisiana, relative to prayer in public schools; to the Committee on the Judiciary.

190. Also, memorial of the Senate of the State of Louisiana, relative to authorizing daily or other regularly scheduled times for students in public schools to enjoy a moment of silence or other meditation time; to the Committee on the Judiciary.

191. Also, memorial of the House of Representatives of the State of Louisiana, relative to the Freedom of Choice Act; to the Committee on the Judiciary.

192. Also, memorial of the Senate of the State of Louisiana, relative to the intracoastal waterway in Bayou Pigeon; to the Committee on Merchant Marine and Fisheries.

193. Also, memorial of the Senate of the State of Tennessee, relative to the States' constitutional authority to regulate traffic and motor vehicle safety within their respective boundaries; to the Committee on Public Works and Transportation.

194. Also, memorial of the Senate of the State of Louisiana, relative to water and related land resources studies from Morganza, LA, to the Gulf of Mexico; to the Committee on Public Works and Transportation.

195. Also, memorial of the Senate of the State of Louisiana, relative to the traffic problem at Interstate 10 traveling from the western region of the State eastwardly across the Mississippi River Bridge; to the Committee on Public Works and Transportation.

196. Also, memorial of the House of Representatives of the State of Maine, relative to establishing appropriate burial spaces for Maine's veterans; to the Committee on Veterans' Affairs.

197. Also, memorial of the House of Representatives of the State of Oklahoma, relative to opposition to a national sales tax or value-added tax; to the Committee on Ways and Means.

198. Also, memorial of the House of Representatives of the State of Maine, relative to the retention of small-issue industrial development bonds; to the Committee on Ways and Means.

199. Also, memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to opposition placing limits on COLA's; to the Committee on Ways and Means.

200. Also, memorial of the Senate of the State of Louisiana, relative to Social Secu-

rity benefits; to the Committee on Ways and Means.

201. Also, memorial of the House of Representatives of the State of Michigan, relative to the North American Free Trade Agreement; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. TORKILDSEN introduced a bill (H.R. 2428) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel *Sable*; which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 34: Mr. ENGEL.

H.R. 35: Mr. ENGEL, Mr. STARK, Mr. TORRICELLI, and Mr. BLACKWELL.

H.R. 115: Mr. BECERRA.

H.R. 123: Mr. BARLOW, Mr. BURTON of Indiana, Mr. LEWIS of Georgia, Mr. PAYNE of Virginia, Mr. HERGER, and Mr. ROBERTS.

H.R. 124: Mr. BARLOW.

H.R. 178: Mr. LIVINGSTON.

H.R. 299: Mrs. MEYERS of Kansas and Mr. HINCHEY.

H.R. 429: Mr. POMBO.

H.R. 462: Mr. THOMPSON, Mr. BROWN of California, and Ms. BROWN of Florida.

H.R. 509: Mr. SMITH of Oregon.

H.R. 511: Mr. BAKER of Louisiana.

H.R. 522: Ms. BROWN of Florida.

H.R. 667: Mr. GEKAS.

H.R. 749: Mr. GENE GREEN of Texas.

H.R. 789: Mr. ROHRABACHER, Mr. DURBIN, Mr. SOLOMON, Mr. MICHEL, Mr. STUMP, Mr. CRANE, Mr. SANTORUM, Mr. REED, Mr. ROGERS, Mr. LINDER, Ms. PRYCE of Ohio, Mr. SMITH of Texas, Mr. HOBSON, Mr. DREIER, Mr. EMERSON, Ms. SNOWE, Mr. PICKLE, Mr. BACHUS of Alabama, Mr. CALLAHAN, Mr. BAKER of California, Mr. BARTLETT of Maryland, Ms. MOLINARI, Mr. PAXON, Mr. KOLBE, Mr. DOOLITTLE, Mr. GONZALEZ, Mr. BARLOW, Mr. HOUGHTON, Mr. LAFALCE, Mr. ABERCROMBIE, and Mr. PRICE of North Carolina.

H.R. 959: Mr. JOHNSTON of Florida.

H.R. 967: Mr. MCCOLLUM, Ms. SNOWE, Mr. BEVILL, and Mr. FIELDS of Texas.

H.R. 981: Ms. SLAUGHTER and Mr. WOLF.

H.R. 1026: Mrs. MEYERS of Kansas.

H.R. 1055: Mr. ENGEL.

H.R. 1078: Mrs. LLOYD.

H.R. 1079: Mrs. LLOYD.

H.R. 1080: Mrs. LLOYD.

H.R. 1081: Mrs. LLOYD.

H.R. 1082: Mrs. LLOYD and Mr. KING.

H.R. 1083: Mrs. LLOYD.

H.R. 1087: Mr. FALEOMAVAEGA.

H.R. 1129: Mr. SHAYS.

H.R. 1141: Mr. ARMEY.

H.R. 1164: Mrs. MORELLA.

H.R. 1172: Mr. STUDDS.

H.R. 1200: Mr. MURPHY and Mr. FALEOMAVAEGA.

H.R. 1277: Mr. RAVENEL, Ms. THURMAN, and Mr. HOAGLAND.

H.R. 1295: Mr. BOEHLERT, Mr. SANTORUM, Ms. THURMAN, Mr. KINGSTON, Mr. COSTELLO, Mr. GRAMS, Mr. HUGHES, Mr. FRANKS of Connecticut, and Mr. EWING.

H.R. 1311: Mr. MCCRERY.

H.R. 1323: Mr. MONTGOMERY and Mr. DE LA GARZA.

H.R. 1360: Miss COLLINS of Michigan.

H.R. 1366: Mr. DICKEY and Mr. ANDREWS of New Jersey.

H.R. 1402: Mr. ROMERO-BARCELÓ.

H.R. 1406: Ms. SLAUGHTER, Mr. SMITH of New Jersey, and Mr. PETE GEREN of Texas.

H.R. 1423: Mr. SKELTON, Mr. TALENT, Mr. HOCHBRUECKNER, Mr. DICKEY, Mrs. BENTLEY, Mr. SCHAEFER, Mr. ROEMER, Mr. BUNNING, Mr. TORRICELLI, Mr. COPPERSMITH, Mr. MICHEL, Mr. HOUGHTON, Mr. GILLMOR, Mr. MCINNIS, Mr. KINGSTON, Mr. REGULA, Mr. BISHOP, Mr. DOOLITTLE, Mr. WILLIAMS, Mr. RIDGE, Mr. WHITTEN, Ms. HARMAN, and Mr. SLATTERY.

H.R. 1434: Miss COLLINS of Michigan and Mr. MCDERMOTT.

H.R. 1480: Mr. BALLENGER, Mr. BATEMAN, Mr. EWING, Mr. FRANK of Massachusetts, Mr. HAYES, Mr. HOBSON, Mr. HOCHBRUECKNER, Mr. KOPETSKI, Mrs. MEYERS of Kansas, Mr. PENNY, and Mr. VISCLOSKY.

H.R. 1489: Mr. FRANK of Massachusetts, Mr. SAWYER, and Ms. PELOSI.

H.R. 1517: Ms. NORTON, Mr. KILDEE, and Mr. ANDREWS of New Jersey.

H.R. 1538: Mr. REYNOLDS, Mr. CONYERS, Miss COLLINS of Michigan, Mr. GIBBONS, Mr. BROWN of California, Mr. EDWARDS of California, and Mr. MENENDEZ.

H.R. 1555: Mr. COBLE.

H.R. 1583: Mr. DOOLITTLE and Mr. ORTON.

H.R. 1608: Ms. BROWN of Florida, Mr. CRAMER, Ms. DELAURO, Mr. DREIER, Mr. HALL of Ohio, Mr. HOLDEN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LAZIO, Mr. NEAL of North Carolina, Mr. PASTOR, Mr. PENNY, Mr. QUINN, Mr. REED, Mr. UPTON, Mrs. VUCANOVICH, and Mr. WHEAT.

H.R. 1609: Mr. ENGEL and Mr. TORRES.

H.R. 1627: Mr. TAYLOR of North Carolina, Mr. TRAFICANT, Mr. SCHAEFER, Mr. GALLEGLY, Mr. HUTCHINSON, and Mr. ANDREWS of New Jersey.

H.R. 1670: Mr. WELDON.

H.R. 1697: Mr. MENENDEZ, Mr. HINCHEY, Mr. GREENWOOD, Mr. BROWDER, Mr. MCDADE, Mr. LEVIN, Mr. GEJDENSON, Mrs. KENNELLY, and Mr. KINGSTON.

H.R. 1719: Mrs. MORELLA, Mr. PORTER, Mr. PARKER, Mrs. JOHNSON of Connecticut, and Mr. JOHNSTON of Florida.

H.R. 1761: Mr. UPTON.

H.R. 1763: Mr. UPTON.

H.R. 1824: Mr. FROST and Mr. RANGEL.

H.R. 1874: Mr. EVANS.

H.R. 1924: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. FRANK of Massachusetts, Mr. GONZALEZ, Mr. JEFFERSON, Mr. THOMPSON, Mr. FILNER, Ms. MCKINNEY, Mr. GENE GREEN of Texas, Mrs. CLAYTON, and Ms. NORTON.

H.R. 1944: Mr. RANGEL, Mr. EDWARDS of California, and Mr. DORNAN.

H.R. 1974: Mr. LIGHTFOOT and Mr. LEVY.

H.R. 2021: Mr. BEVILL and Mr. RICHARDSON.

H.R. 2059: Mr. LEWIS of Florida.

H.R. 2124: Mr. MCKEON.

H.R. 2142: Mr. RANGEL and Mr. FALEOMAVAEGA.

H.R. 2153: Mr. WALSH, Mr. JACOBS, Mr. TORRES, Mr. FILNER, Mr. BLACKWELL, Mr. TOWNS, Mr. FROST, Ms. ROYBAL-ALLARD, and Mr. BECERRA.

H.R. 2175: Mr. SWETT.

H.R. 2219: Mr. ENGEL, Mr. SLATTERY, and Mr. ORTON.

H.R. 2308: Mr. HALL of Ohio.

H.R. 2311: Mr. TORKILDSEN.

H.R. 2315: Mr. WOLF, Mr. MCCLOSKEY, Mr. SCHIFF, and Mr. LIPINSKI.

H.R. 2326: Mr. MONTGOMERY, Mr. JACOBS, Mr. LAROCCO, Ms. SHEPHERD, Mr. VOLKMER, Mr. COBLE, Mr. WILLIAMS, and Mr. DEUTSCH.

H.R. 2340: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 2366: Mr. FIELDS of Louisiana.

H.R. 2394: Mr. HOYER, Ms. DELAURO, and Ms. WOOLSEY.

H.R. 2395: Mr. HOYER, Ms. DELAURO, and Ms. WOOLSEY.

H.J. Res. 27: Mr. QUILLEN and Mr. HEFNER.

H.J. Res. 79: Mr. MARTINEZ, Mr. SHAYS, and Mr. YOUNG of Alaska.

H.J. Res. 106: Mr. GENE GREEN of Texas, Mr. MCCRERY, Mr. MARTINEZ, and Ms. SNOWE.

H.J. Res. 119: Mr. JEFFERSON, Mr. HOYER, Mr. MOAKLEY, Mr. DURBIN, Mr. JOHNSON of South Dakota, Mr. BLACKWELL, Mr. LAFALCE, Mr. DIXON, Mr. MCCRERY, Mr. MURTHA, Ms. NORTON, Mr. MANN, Mr. REYNOLDS, Mr. PETERSON of Florida, Mr. EWING, Mr. DEUTSCH, Mr. KLECZKA, Mr. MURPHY, Mr. OWENS, Mr. RAVENEL, Mr. SPENCE, Mr. TEJEDA, Ms. MOLINARI, Mr. MENENDEZ, Mr. VOLKMER, Mr. TAUZIN, Mr. SISISKY, Mr. MCCLOSKEY, Mr. GENE GREEN of Texas, and Ms. THURMAN.

H.J. Res. 133: Mrs. LLOYD.

H.J. Res. 166: Ms. ROYBAL-ALLARD, Mr. SWETT, Mr. BRYANT, and Mr. TORRICELLI.

H.J. Res. 173: Mr. LIPINSKI, Mr. MCCANDLESS, and Mr. BREWSTER.

H.J. Res. 193: Mr. MARTINEZ, Mr. MOORHEAD, and Mr. MCCRERY.

H.J. Res. 199: Mr. GILLMOR, Mr. BILIRAKIS, Mr. HASTERT, Mr. HEFNER, Mr. EDWARDS of California, Mr. WILSON, Mr. GORDON, Mr. HOCHBRUECKNER, Mr. LEACH, Mrs. JOHNSON of Connecticut, Mr. FALEOMAVAEGA, Mr. LEHMAN, Mr. MCCLOSKEY, Ms. BYRNE, Mr. PAYNE of Virginia, Mr. HINCHEY, Mr. QUILLEN, Mr. MCNULTY, Mrs. UNSOELD, Mr. RAVENEL, Mr. RAMSTAD, Mr. ROTH, Mrs. MINK, Mr. SLATTERY, Mr. EWING, and Mr. KOPETSKI.

H. Con. Res. 3: Mr. COBLE, Mr. RIDGE, Mr. HERGER, and Mr. BACHUS of Alabama.

H. Con. Res. 7: Mr. ROHRABACHER, Ms. PRYCE of Ohio, Mr. HINCHEY, Mr. PACKARD, and Mr. CALVERT.

H. Con. Res. 13: Mr. BARTLETT of Maryland, Mr. KINGSTON, Mr. BARLOW, and Mr. MCKEON.

H. Con. Res. 20: Miss COLLINS of Michigan.

H. Con. Res. 46: Mr. DE LA GARZA and Mr. PASTOR.

H. Con. Res. 80: Mr. POMEROY, Miss COLLINS of Michigan, and Mr. STRICKLAND.

H. Con. Res. 91: Mr. HOCHBRUECKNER.

H. Con. Res. 103: Ms. VELÁZQUEZ, Mr. FROST, Mr. FILNER, Mr. MARTINEZ, Mr. UNDERWOOD, and Mr. EDWARDS of California.

H. Con. Res. 110: Mr. FALEOMAVAEGA, Mr. SANGMEISTER, Mr. MANTON, Mr. CLYBURN, and Mr. TORKILDSEN.

H. Res. 139: Mr. BILIRAKIS.

H. Res. 174: Mr. DORNAN, Mr. KLUG, Mr. SANGMEISTER, and Mr. KYL.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 999: Mr. CALVERT.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

42. By the SPEAKER: Petition of the city of Clinton, N.C., relative to imposing addi-

tional national taxes on the tobacco industry; to the Committee on Ways and Means.

43. Also, petition of Thomas M. Maxwell, citizen of the California Republic, relative to refunding all FICA taxes that were withheld under his name; to the Committee on Ways and Means.

69-059 O—97 Vol. 139 (Pt. 9) 29

EXTENSIONS OF REMARKS

THE RIGHT SOLUTION FOR SCHOOLS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. CRANE. Mr. Speaker, I believe that our President is right on target when he says the American people want change. They do not like the way Government has operated in the past, and they want to make it more efficient. They want us to lower the costs of Government and increase its efficiency.

Unfortunately, too many of our colleagues think a call for change means that the American people want us to do more of what we were already doing—tax, tax, tax, and spend, spend, spend.

One of the best examples of the impotency of Government spending occurs in the area of education, where ballooning spending has brought nothing but plummeting effectiveness. We must change our thinking about education and discard the failed concept of spending our way to a better education for our children.

I believe the following article from the June 4, 1993, edition of Investor's Business Daily, written by Carl Horowitz, provides an excellent analysis of our education woes. He points out that increased funding cannot substitute for increased parental and corporate involvement, and that Federal control should never supplant local control. I recommend this article not only to those committed to improving education, but also to those committed to the President's glorious ideal of change.

[From Investor's Business Daily, June 4, 1993]

THE RIGHT SOLUTION FOR SCHOOLS—MORE MONEY, HIGHER STANDARDS OR GREATER CHOICE?

(By Carl F. Horowitz)

America's schools are getting a reputation as factories producing blissfully dumbed-down young adults typecast for the sequel to "Wayne's World."

Experts have definite, often conflicting, ideas on how to fix the situation. Their recommendations seem to fall into one or more of three categories: spend more money, raise standards and offer wider choices of education alternatives.

The argument for more money—that public education budgets are underfunded—was fortified by a recent study by Fordham University professor Bruce Cooper.

Cooper found that for every additional $100 of spending per pupil on classroom instruction in New York City high schools, there was an 18-point improvement in the average combined math and verbal Scholastic Aptitude Test score.

The operative phrase, however, may be "classroom instruction." A 1989 study by Cooper found that only about one-third of the public school money in New York City was getting down to the classroom level. The national average that year was 58%.

Those who question the need for more spending are also quick to point out that the same New York City system also spent $68 million to reduce its student dropout rate, only to see it rise by 5%.

Cooper's latest findings, moreover, run counter to most research showing little or no relationship between school spending and student performance. For example:

Eric Hanushek, a University of Rochester economist, examined nearly 200 studies and found that teacher salaries, per-pupil expenditures, class size and graduation requirements were unrelated to academic performance.

John Chubb, formerly senior fellow with the Brookings Institution and now with the Edison Project, a for-profit, private-school network, and political scientist Terry Moe of Stanford University, examined characteristics of more than 500 public and private high schools. They found total spending, teacher salaries and student-teacher ratios each had no significant effect upon student performance.

Marjorie Davies, in a study for the Urban Policy Research Institute, found that students in low-expenditure school districts in Ohio did better than students in high-expenditure districts.

The government hasn't exactly been skimping on school funding, data indicate. Combined federal and state support for public elementary and secondary education rose from $64.6 billion in the 1982–83 school year to $110.8 billion in 1989–90, or by 71.5%. Total spending by public elementary and secondary schools soared 103% from 1982–83 to 1991–92, when it reached $240.9 billion.

The second area of advice is to raise standards for teachers and students.

In a recent Washington Post editorial, the presidents of the nation's two main teachers unions—Albert Shanker of the American Federation of Teachers and Keith Geiger of the National Education Association—called for higher standards in testing teacher competence and in accrediting teachers' colleges.

Sixty percent of the nation's colleges of education have yet to receive accreditation, they noted.

"Without national goals and national standards," said Tracy Bailey, a Melbourne, Fla., math teacher, named 1993 Teacher of the Year by the Council of Chief State School Officers, "we have no idea where we're headed."

CLINTON PROPOSAL

While there is general agreement that higher standards are needed, consensus breaks down on what they should be and who should set and enforce them.

In late April, the Clinton administration unveiled its "Goals 2000: Educate America Act," legislation that calls for schools to meet voluntary national standards. Three new federal panels would set achievement and curriculum standards.

The proposal, to be funded at $420 million in fiscal 1994, has already drawn some criticism. For example, Sen. Orrin Hatch, R-Utah, worries about the erosion of state and local autonomy.

But Secretary of Education Richard Riley contends the plan would "turn the system loose," allowing local districts to decide how to reach goals.

Among those skeptical of such assurances in Allyson Tucker, an education specialist at the Heritage Foundation, a Washington-based think tank.

"While the proposed federal standards are nominally voluntary, the states will be under pressure to make them mandatory," she said. "These standards likely would mandate some of the very practices that got public schools in hot water in the first place."

Most of the impetus for raising standards came from a widely circulated and debated 1983 report, "A Nation at Risk," by the National Commission on Excellence in Education.

Many of its get-tough recommendations have been carried out at the state level.

Since 1983, for example, nearly all states have instituted new student-testing programs, while 75% of all high schools have stricter attendance standards and 40% have longer school days.

The report also recommended higher teacher salaries, and there has been progress here, too. Average elementary and secondary school teacher salaries during the 1982–83 to 1991–92 academic period rose from $20,695 to $34,413, or by 66.3%.

"HEAD VS HEART" CONFLICT

Raising standards has an inherent "head vs. heart" conflict, argues Raymond Domanico, director of the Manhattan Institute's Center for Educational Innovation.

"No matter what the evidence to the contrary," he argued, "people in a particular state or school district want to believe that failure to meet standards occurs somewhere else.

"The real problem lies in the lack of incentives to give parents and principals more control."

This is where the third alternative, a market-based "choice" strategy, comes in.

The school choice movement was almost nonexistent a decade ago, but it's catching on rapidly.

Some states now give parents tax credits that can be applied to private school tuition. Others allow "open enrollment" within or across local districts.

During 1992, school choice legislation of some type had been either pending or introduced in 34 states, above and beyond existing choice laws.

Critics fear that school choice programs will attract only students who are well off, to the detriment of others.

Sen. Edward Kennedy, D-Mass., for example, calls choice potentially "a death sentence for public schools struggling to serve disadvantaged students, draining all good students out of poor schools."

Yet Chubb and Moe concluded that even controlling for income and other factors that render a child "disadvantaged," private schools outperform public schools.

It's no surprise, argues attorney Clint Bolick, vice president of the Institute for Justice, a public-interest law group, that support for parental choice is greatest among low-income urban blacks.

"They recognize first-hand the lack of public school accountability," Bolick said.

WISCONSIN PROGRAM

In Wisconsin, legislators in 1990 enacted a program to authorize the state to fund tuition vouchers of about $2,500 per student. The program enables close to 1,000 Milwaukee low-income children to attend nonsectarian private schools in the city.

In another program, the nonprofit Lynde and Harry Bradley Foundation is the principal funding source for private-school scholarships for low-income children in Milwaukee worth up to one-half of the child's annual tuition. The maximum amount of each scholarship is $1,000.

Such measures, supporters say, are necessary given that well over half of all blacks in Milwaukee public schools eventually drop out.

David Kearns, former chief executive of Xerox Corp., who in 1991 became Education Department deputy secretary in the Bush administration, along with Dennis Doyle, a senior fellow at the Hudson Institute, an Indianapolis think tank, see choice as the essence of market competition.

Their 1988 book, "Winning the Brain Race," indicted America's educational system as a "failed monopoly."

Bush last year proposed legislation to enable parents to receive grants of $1,000 a year per child to cover tuition and support services at the public, private or parochial school of their choice. But Congress didn't act on this "GI Bill for Children."

Clinton's Goals 2000 proposal does not include a provision for vouchers.

Despite its momentum, school choice is more hype than hope, some believe.

The Carnegie Foundation concluded in a report last fall that school choice programs are ineffective and lack parental support.

Pro-choice advocates counter that the study was based on sloppy research and analysis. Joe Nathan, director of the University of Minnesota's Center for Social Change, found "64 significant misstatements of fact or distortions in one chapter."

Business funding, like parental control, is emerging as a key element in the choice movement.

CORPORATE FUNDING

Business can inject needed market incentives into schools, according to Dwight Lee, professor of economics at the University of Georgia.

Lee notes that Chicago's public school pupils, for example, do far worse than the city's Catholic school pupils, even with the public system's much higher expenditures per pupil.

"If the Chicago school system were a publicly held corporation in the private sector," Lee said, "does anyone doubt that it would long ago have benefited from a hostile takeover?"

Recognizing that such an option is not yet available, some entrepreneurs are proposing for-profit school systems.

The most ambitious experiment is the Edison Project, founded in 1991 by Christopher Whittle, chairman of Whittle Communications, and run by former Yale University President Benno Schmidt.

Whittle and Schmidt are approaching investors in the hope of establishing 200 schools by the fall of 1996. By the year 2010, they hope to have 1,000 schools with some two million students. Each campus would offer an elementary, a middle and a high school, and possibly a day-care center as well.

Corporate sponsorship of public school innovation already is a reality.

Colgate-Palmolive Co., for example, contributed funding and expertise in reorganizing three alternative schools from Harlem's decaying Wadleigh Junior High School.

The new schools enroll about 500 students in grades six through 12. Curricula include science and technology, the arts, and writing and publishing.

Now in their third year and housed in Harlem elementary schools, the schools are set this fall to move into a renovated and expanded Wadleigh building.

According to John Elwell, director of New York City's Office of Alternative Schools, daily student attendance in at least two of the schools is up sharply.

TRIBUTE TO GOLER T. BUTCHER

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. HAMILTON. Mr. Speaker, Prof. Goler T. Butcher of the Howard University School of Law died last week at the age of 69. Goler Butcher was a remarkable individual whose energy and commitment touched all with whom she worked. A civil rights activist, international legal scholar, powerful advocate for Africa, and high-level policymaker, Goler Butcher's career brimmed with achievement.

A relentless champion of civil rights in the United States and human rights internationally, Professor Butcher played a crucial role in raising the importance of African issues, and Southern Africa in particular, in the U.S. House of Representatives. As staff director of the Subcommittee on Africa, under Chairman Charles Diggs of Michigan, Goler Butcher played a central role in the initial efforts of this House in the early and mid-1970's to promote a more active United States stance against white racism and minority rule in Southern Africa. I have many fond memories of her time on the committee and she can take pride in what she did when she was here. While on the Hill, Goler worked to help develop constituency groups interested in Africa, particularly among the African-American community. These early efforts were important to the later successes of TransAfrica and other organizations.

After leaving the Foreign Affairs Committee staff, Goler Butcher was appointed by President Jimmy Carter as the Assistant Administrator for Africa for the Agency for International Development. At AID, she managed a growing program that effectively responded to Africa's problems of rapid population growth, limited human resource capacity, and vulnerability to drought and other natural disasters. While at AID, Goler Butcher consistently stressed the special development needs of Africa, and the need for a more substantial United States commitment to the continent. Her efforts played an important role in laying the basis for the creation of the Development Fund for Africa.

In 1981, Goler Butcher joined the faculty of the Howard University Law School, where she specialized in international law and human rights. Professor Butcher retained a strong interest in Africa and in development assistance issues. She chaired the Subcommittee on South Africa of the American Bar Association's section on individual rights and responsibilities and was trustee of the Lawyers Committee for Civil Rights Under Law. Professor Butcher lived to see dramatic progress toward the end of apartheid and the creation of nonracial societies in Southern Africa. She participated as an election monitor in the November 1989 elections that led to independence for Namibia.

In 1992, Professor Butcher served as an adivsor to President Clinton's election campaign. Despite her illness, Butcher agreed to lead the transition team group for the Agency for International Development. She was confident that under the new Administrator, Brian Atwood, AID could regain its position as a leader in international development efforts.

With Goler Butcher's death, the causes of civil rights and African development has lost a powerful and effective advocate. On behalf of the Committee on Foreign Affairs, I wanted to extend to George Butcher, and the entire Butcher family, our deepest sympathies. He can be proud of her many accomplishments in her career. It was a privilege to have known her and worked with her.

A TRIBUTE TO GEORGE AND DELLA NELSON

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. RAHALL. Mr. Speaker, it is with great pride and honor that I recognize an outstanding father and daughter team in my district, George and Della Nelson of Wayne, WV, who helped save a life on May 18, 1993.

A Wayne County native, Earl Adkins, was driving with his wife on West Virginia Route 152 when he suffered a cardiac arrest. The Nelsons were driving in separate vehicles in the opposite direction on Route 152 when George Nelson noticed Adkin's truck swerving back and forth. The truck went over an embankment beside the road, and the Nelsons stopped to see if the people in the truck were hurt. Adkin's wife told Nelson that her husband was having a heart attack.

Fortunately, George Nelson is a volunteer paramedic with the Wayne Volunteer Fire Department, and he quickly assessed Adkin's condition, concluding that Earl did not have a pulse and wasn't breathing. Nelson applied a first aid technique called a precardial thump to try to revive Adkins. While Nelson was applying CPR, Della, a 20-year-old student at Marshall University, who is also certified with the Heart Association in cardio-pulmonary-resuscitation, ran to Nelson's car to get his first aid equipment. By the time the Lavelette paramedics reached Adkins, he was conscious and alert. After spending 3 days in Cabell Huntington Hospital, Adkins was released.

Nelson shared the credit of saving Adkin's life that day with Della. Before this incident, Nelson, who has been working as a paramedic for 9 years, surprisingly had never needed to use his skills to save another person's life. The Nelsons performed a valiant rescue of another man's life, and I feel that they should be recognized for their heroism.

Mr. Speaker, I would like to stress how important it is for everyone to learn the applications of first aid and how to perform CPR. As

the Nelsons' experience demonstrates, these valuable skills can help save a life.

A BILL TO MORE ACCURATELY DETERMINE ROCKLAND COUNTY, NY'S MEDIUM INCOME, H.R. 2423

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. GILMAN. Mr. Speaker, if there is one common thread that binds all of America's families it is the dream of one day owning a home. It has been a right of passage for generations of American families.

However, what was once a reality for a previous generation of Americans is now an impossible dream for many of our Nation's families—and a nightmare for those in New York State. There are numerous aspects which can be pointed at to help explain the expiration of this dream. For example, there has been a decline in real income for a large portion of the population; a skyrocketing of land prices over the past 20 years; an increase in environmental, insurance, and mortgage regulations; and an escalation in upfront costs. All of which have left a financial gap for prospective homebuyers that can only be bridged by local, State, and Federal programs.

Mr. Speaker, such a program exists in New York State to assist first time homebuyers. This program known as SONYMA—the State of New York Mortgage Agency—provides low-cost financing for low- and moderate-income families across the State. SONYMA mortgages can be obtained with as little as a 5-percent cash down payment at a fixed interest rate, which are consistently below market rates, for a maximum of 30 years. SONYMA has been the key to helping thousands of families in New York purchase their first home.

However, the Department of Housing and Urban Development's [HUD] income levels are used in calculating eligibility for almost all State and Federal housing programs, including SONYMA. In fact, HUD calculates Rockland County's median income as part of the primary metropolitan statistical area [PMSA] which include all of the income data for New York City. For this reason HUD lists Rockland County's median income for a family of four as $40,500. The 1990 census shows that the county's true median income to be $60,479, a difference of $20,000. Subsequently, these current medium-income limits effectively exclude many of our moderate-income families from numerous State and Federal programs.

Mr. Speaker, it is obvious that these inaccurate statistics severely limit access to many programs that could be beneficial to Rockland residents. Income caps for SONYMA, Fannie Mae/Freddie Mac, section 8, and a myraid of other beneficial programs are artificially low, and most of Rockland's residents, financial institutions, sellers, and home builders are at a severe disadvantage compared to their counterparts in neighboring counties, whose statistics accurately reflect their population.

Accordingly, Mr. Speaker, I am today introducing legislation that will amend section 3 of the U.S. Housing Act of 1937 to more accurately determine the medium income for Rockland County, NY, for purposes of housing programs administered by the Secretary of Housing and Urban Development.

This legislation upon its passage will afford residents of Rockland County, NY, the opportunity to do more than dream of one day owning a home. First-time homebuyers will now be able to utilize SONYMA and other State and Federal programs to purchase a family home—the dream will again be a reality and I urge the support of my colleagues of H.R. 2423.

H.R. 2423

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

SECTION 1. DETERMINATION OF INCOME LIMITS.

That section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) is amended—

(1) in the 4th sentence—

(A) by striking "County" and inserting "and Rockland Counties"; and

(B) by inserting "each" before "such county"; and

(2) in the last sentence—

(A) by striking "County" the 1st place it appears and inserting "or Rockland Counties"; and

(B) by striking "County" the 2d place it appears and inserting "and Rockland Counties".

SEC. 2. REGULATIONS AND EFFECTIVE DATE.

The Secretary of Housing and Urban Development shall issue regulations implementing the amendments made by section 1 not later than the expiration of the 90-day period beginning on the date of the enactment of this Act. The regulations may not take effect until after September 30, 1993.

TRAUMA AMENDMENTS FLOOR SPEECH

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. PALLONE. Mr. Speaker, I would just like to express my strong support for H.R. 2205, the Trauma Care Systems Amendments of 1993 and my hope that the planning funds being authorized here help foster the goal of establishing comprehensive statewide trauma systems all across the country. Traumatic injury is the fourth leading cause of death in this country, Mr. Speaker, and the costs of treating severe injuries are staggering.

Currently, only 23 States are receiving grants through this program, which was funded at just under $5 million in 1992 and 1993. Despite the relatively small amount of funding in this program, I believe it is imperative that we encourage all States to plan comprehensive trauma programs. That is why I made sure that the report language in this bill instructs the Centers for Disease Control that to the extent practicable, funding should be reserved for new grant awards in the 1994 and 1995 cycles. The program allows for this new funding to become available by forcing States who receive first year trauma planning grants to help pick up some of the financial burden in subsequent fiscal years.

Mr. Speaker, I don't think it is asking too much to tell States already participating in this grant program to pick up their fair share of the cost so that other States may also receive Federal planning dollars. It is imperative that even with the tight Federal budgetary restraints we face today, all States be eligible for these trauma care planning funds regardless of their past status in the grant application process.

Mr. Speaker, I urge passage of this most important legislation and I yield back the balance of my time.

REMEMBERING YOUNG FATHERS

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. PAYNE of New Jersey. Mr. Speaker, these days we seem to only hear negative things about young men, especially those who are fathers. But there are some young men who are trying to make their new role work in an ever-changing world. These young men are involved in a program that is helping them to become more complete people and thereby better fathers. I would like to call your attention to this exciting program in my district called the Young Fathers Program. Housed at the University of Medicine and Dentistry Medical School, the goal of the program is to help young men become more knowledgeable, participating parents. The organization wants to make sure that children are born into healthy environments, with their fathers playing active roles in their upbringing.

The Young Fathers Program has been in existence for the past 6 years working with young men ages 15–23. It has served over 700 young men in its brief existence. The services range from job opportunities, health care, recreation activities, education and job training, positive parenting, family planning and counseling, and network and information sharing. These services are available to the young men and their families, the only fee required is a positive attitude.

In these days when we are often too quick to judge all men as only being out for themselves, I am pleased to know that there are men in New Jersey's 10th Congressional District that are working with young men who are fathers to help them to know what their role should be with their child. I thank these men and I applaud the young men who are taking time to learn to become good parents. I can say from experience it is the best role they will ever prepare for throughout their entire lives.

Mr. Speaker as we prepare to honor all fathers this Sunday I am especially pleased to honor young fathers who are striving to be the best fathers they can possibly be. Keep up the good work.

THE GREAT FAMINE IN THE UKRAINE

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Ms. DELAURO. Mr. Speaker, on June 6 the New Haven branch of the Ukrainian Congress Committee of America gathered to commemorate one of the most profound tragedies in modern history—the Great Famine in Ukraine. On behalf of all Ukrainian-Americans, I would like to join in keeping alive the memory of this famine and the untold suffering that it caused.

Six decades ago, during 1932 and 1933, Stalin reacted to his fear of Ukrainian independence by draining Ukraine dry of food. He demanded that nearly all of the huge agricultural output of Ukraine—long known as the bread basket of the Soviet Union—be sent to Moscow. Having stripped Ukraine of food, the Soviet Government left 4 million children, women, and men to starve.

In the wake of this gruesome repression, the birth rate also dropped dramatically as pregnant women and an entire generation suffered the effects of malnutrition. Yet despite the horrors Stalin visited on them, Ukraine and its people valiantly struggled back, propelled by their undying desire for independence. The last few years have witnessed a vindication for Ukrainians and Ukrainian-Americans—a fulfillment of their courageous quest for justice.

Now free to blossom, Ukrainian religious and cultural traditions have assumed their rightful place in the world. Ukraine has fully asserted its sovereignty and its rights as an extraordinary nation of more than 50 million people.

Sixty years after the Great Famine, I want to express my admiration for the tremendous dedication of all Ukrainian-Americans. Let us take a lesson from their courage in the face of unimaginable suffering and vow to keep the ideals of freedom and independence alive.

TRIBUTE TO KRISTEN GUNNESS, NATIONAL PEACE ESSAY CONTEST WINNER

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. SWETT. Mr. Speaker, I rise today to honor Kristen Gunness, a student at Kearsarge Regional High School in New Landing. NH. Ms. Gunness was chosen as the winner of the statewide competition for the 1992–93 National Peace Essay Contest, sponsored by the United States Institute of Peace. For her efforts, Ms. Gunness will receive a $500 scholarship and has the opportunity to earn an additional $10,000 in scholarships and awards in the national competition.

More than 7,000 students from all 50 States, the District of Columbia, the U.S. territories and six American high schools overseas participated in this year's contest. This year students were asked to write essays discussing America's role in the world, and whether—and how—the United States should direct its resources to help avoid or resolve international conflict. The title of Ms. Gunness's winning essay is "The United States and the International Community."

Mr. Speaker, it is moving to see that tomorrow's leaders are concerned about and thinking about the problems of today. Her essay is a testament to the dedication and compassion of our high school students. I applaud Kristen's commitment to peace, and I encourage her and others of her generation to continue their efforts on behalf of world peace.

IN RECOGNITION OF DR. CHARLIE ABATE

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mrs. ROUKEMA. Mr. Speaker, when we speak today of education reform, the proposals most often heard include increasing parental involvement, providing individual instruction, establishing high academic standards, and seeking new and innovative ways to stimulate the education environment. While each of these is an important goal, they are not new ideas. In fact, long before these ideas became standard rhetoric for educational reformers, the citizens of Ridgewood, NJ, led by Dr. Charlie Abate, were busy implementing them. Today, I ask my colleagues to pause and join with me in tribute to Charlie Abate who is celebrating 25 years as principal of the Orchard School in Ridgewood.

Abigail Adams once wrote to her husband that "much depends as is allowed upon the early education of our youth (that) the first principles which are instilled take the deepest root." It follows then, that the principles and pillars on which childrens' future will be built must be taught at an early age. This is what the citizens of Ridgewood knew when they set out to open a new, neighborhood elementary school; 25 years ago, Orchard School was founded as an experiment in alternative teaching methods for our children. As the first president of the Orchard PTA, I worked closely with many other parents as we spent countless hours to bring the dream of a new elementary school life. Our goal, to build a school that would provide a well rounded education experience for our children. And when we succeeded, we knew that the school would only survive under the leadership of an innovative and dedicated principal. Our search ended when we found Charlie Abate.

Charlie Abate has been the inspiration, the conscience, the driving force behind the successes of Orchard. He has brought innovation and energy to the school beyond our greatest expectations. Charlie works closely with teachers and students in the classroom and has introduced landmark and innovative programs that emphasize everything from technology to effective writing skills. In fact, for 4 years, in addition to serving as principal, he taught a sixth grade class. Charlie has never let the community forget the importance of each and every child. More important, he has never let the children forget their sense of purpose and commitment to learning.

Under the guidance and direction of Charlie Abate, Orchard School continues to excel. Working with him over the years have been countless teachers, parents, and students who have each been integral to that achievement. But in the end, Charlie Abate has been the leader in this shining success story. Mr. Speaker, our schools and our educators hold the key to the future of our Nation. They unlock the potential in each and every child. They nurture the curiosity of future scientists; they encourage the compassion of future doctors; and they launch future business leaders on their way toward excellence.

Speaking as a mother, I can testify that my own children credit their years at Orchard School with instilling in them American values: Respect for educational excellence, a sense of community, an obligation to citizenship, and respect for people of all races and creeds. These are the lessons to which Charlie and his staff dedicated their lives. I urge my colleagues to join me in recognizing and saluting their 25 years together. This country needs more Charlie Abates to reform and inspire education in America.

INTRODUCTION OF LEGISLATION REGARDING WHITE HOUSE CONFERENCE ON SMALL BUSINESS

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mrs. MEYERS of Kansas. Mr. Speaker, today I rise as ranking Republican member of the Small Business Committee to introduce legislation affecting the timing of the White House Conference on Small Business.

This is an extraordinarily important Conference to our Nation's small business men and women. The previous two White House Conferences, held in 1980 and 1986, have served to unite entrepreneurs around a list of specific recommendations to promote and protect American small businesses. Over two-thirds of the recommendations from the 1980 White House Conference on Small Business have been acted upon by Congress and the executive branch. Many of the suggestions from the 1986 Conference, such as the line-item veto, are currently pending before Congress.

Under Public Law 101–409, which authorized the third White House Conference on Small Business, the National Conference must be held prior to April 1, 1994. Before the National Conference can occur, approximately 60 State and regional meetings must first be held to elect delegates for the National Conference and develop State recommendations for incorporation into the national list. The State and regional meetings should have begun this past December. Unfortunately, little was done by the previous administration to get the Conference under way, and the current Administration has not made any noticeable efforts towards planning the Conference. This last official action taken regarding the Conference was in January, 1993, when President Bush named 9 persons to the 11 member Commission charged with planning and oversight of the Conference.

I believe it will be virtually impossible to hold a successful White House Conference on Small Business within the current timeframe of Public Law 101–409. Therefore, the bill I introduce today will extend the timeframe for holding the White House Conference by 1 year to April 1, 1995. This additional time will provide an opportunity for many representatives of our Nation's 20 million small business owners to gather and formulate recommendations for Congress and the President to act upon.

Mr. Speaker, a White House Conference on Small Business is vital in putting emphasis and a unified voice behind small business' concerns. Congress needs to hear this voice, perhaps now more than ever. With the specter of higher taxes, a national health care plan, important international trade agreements, and increased paperwork and regulatory burdens facing small businesses, it is essential that a forum like the White House Conference be held in recognition of the incomparable role small business plays in our economy. A 1-year extension of the deadline for completion of the Conference will prevent it from being hastily put together, or postponed indefinitely. I am pleased to note that a bipartisan group of 17 of my colleagues have joined me in sponsoring this much-needed legislation, and I hope the Small Business Committee will take swift action on the measure.

TRIBUTE TO MR. LYMAN BROWNFIELD

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to Mr. Lyman Brownfield on the occasion of his 80th birthday which was celebrated on June 7, 1993. There are few people in the State of Ohio who have made such a complete commitment of their time and effort to public service and the common good.

Mr. Brownfield was born in Uniontown, PA, and received his B.A. from Mount Union College. While attending Duke University Law School, he was a roommate of Richard Nixon. Mr. Brownfield is now writing a book describing their years in law school. After receiving his law degree in 1937, he began his service to the Federal and State governments. During World War II, he was a Staff Judge Advocate. In the Nixon administration, he was the general counsel of the Department of Housing and Urban Development.

Lyman Brownfield has been a personal friend for many years, and an inspiration not only to me, but to many young lawyers. Now, as Mr. Brownfield enters his eighth decade, he continues to practice law and remains active in civic affairs. I send my best wishes to Mr. and Mrs. Brownfield, and hope that he will continue his commitment to our country and to the people of Ohio.

TRIBUTE TO PIERCE MIDDLE SCHOOL SCIENCE OLYMPIAD TEAM

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. WALKER. Mr. Speaker, I would like to take this opportunity to commend the members of the Pierce Middle School Science Olympiad team from West Chester, PA. The 32-member team of sixth through ninth graders has once again distinguished itself as one of the best science teams in the Nation by finishing first in Pennsylvania regional competition, finishing second at the Pennsylvania State finals, and being invited to participate in its fifth straight National Science Olympiad competition. Of the nearly 4,000 schools competing nationally in 1993, Pierce Middle School finished 11th in the Nation.

The Science Olympiad is an international, nonprofit organization devoted to improving the quality of science education, increasing interest in science, and providing recognition for outstanding achievement in science education by both students and teachers. The annual competition is based on an olympic model and allows pairs of students from various schools to compete in many science-related categories such as astronomy, anatomy, geography, weather, and computers.

The members of the 1993 Pierce Middle School Science Olympiad team are: James Berry, Adam Biacchi, Jamey Bowling, Rodney Bowling, Jason Bugg, Kristin Carroll, Casey Frantz, Josh Griffith, James Hayes, J.J. Ivey, Jake Kamon, Walter Keller, Mike Kelly, Adam Kernander, John Leimbach, Ihsun Liang, Matt Light, Peter Lu, Mike McDonald, Justin Olexy, Scott Paris, Jordan Romano, Bren Salamon, Rosie Scott, Azim Siddiqui, Greg Silvesti, Robert Specht, Dan Stick, Angela Staub, Alexis Dinniman, and Tila Pillar. The coaches for the team are Charlotte Knighton and Paul Wojcik.

I would like to pay a special tribute to Charlotte Knighton, the coach and founder of the Pierce Middle School Science Olympiad team 6 years ago, who will be retiring this month after 26½ years of teaching. I applaud her dedication to teaching and her ability to make science fun.

Mr. Speaker, quality education is excelling in West Chester, PA. It is my pleasure to congratulate the members of the Pierce Middle School Science Olympiad team on their accomplishments. These students of today will certainly be the scientific leaders of tomorrow.

SYRIA, DRUGS, AND THE UNITED STATES

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. GILMAN. Mr. Speaker, today's New York Times contains a piece by the distinguished columnist, A.M. Rosenthal, on disturbing developments in Syria's growing involvement in the illicit drug trade.

The Rosenthal column calls for a greater awareness by the President, and all appropriate levels of our Government in Washington, of the seriousness of the Syrian drug trade problem—particularly heroin production and how it eventually ends up in the United States. He warns of the impact that scaling back our government's international narcotics efforts around the globe can have, not only as it relates to Syria, but with regard to other drug-producing and transit countries as well. In addition, Mr. Rosenthal notes that the United States is prematurely giving up the fight against international narcotics, and unless the President provides the necessary leadership in this battle, the consequences will be even more grave for our inner-city youth and minority population.

I call this article to the attention of my colleagues, as well as all those concerned about the direction and efforts of this country's war against the evil of illicit drugs. Mr. Rosenthal lays out a provocative, timely, and serious challenge to this struggle in which we all have such a large stake. It requires Presidential leadership and the commitment of all Americans to stop the decay that drugs have caused in our society from spreading to future generations.

The article follows:

[From the New York Times, June 15, 1993]

SYRIA, DRUGS AND THE UNITED STATES

(By A.M. Rosenthal)

The Bekaa Valley was once Lebanon's breadbasket—rich with wheat, fruit, vineyards. Since Syria took military control of the country 90 percent of the valley has been given over to drug cultivation—particularly opium for heroin.

Syrian military units border cannabis and opium fields and laboratories for making the heroin. Individual Syrian officers make as much as $30,000 a year from the trade.

Higher officers, including President Assad's brother and the Minister of Defense, make vastly more. All told, the Syrian military gets a subsidy of $300 million to $1 billion from the heroin trade, much of its product destined for the United States. Terrorist groups headquartered in Syria also draw funds from drug cultivation in the valley.

The information above comes from a report ordered and made public by the chairman of the House Subcommittee on Crime and Criminal Justice. It has long been known to U.S. intelligence agents, taken up diplomatically by Washington but not directly and publicly confronted.

But the time for merely engaging in diplomatic dialogue with the Syrians on the drug trade is over, the report said. It urged that the U.S. set a deadline for Syria to end its drug activities and that the Justice Department prosecute Syrian generals who conspire to put drugs on streets.

The report was drawn up in the summer and fall of 1992. It denounced the Bush Administration's failure to take action and warned that the Syrian drug trade could turn into another Iraqgate.

But the report, ordered by Representative Charles Schumer, was not made public until after Election Day in November. By that time the Congressman from New York was aware that he was issuing his recommendations and warnings not to President Bush but to Bill Clinton, the candidate of his own party.

Since then, the production of opium for heroin in the Bekaa Valley has moved—upward. The new policy urged by Representative Schumer—official recognition in Washington of the Syrian drug trade and a political and legal offensive against it—does not exist.

Like most Americans, particularly those who voted for him, I want to give the President the time he needs to solve major problems.

But patience does not mean hanging around for four years until he gets around to thinking and talking seriously about them. The public and press certainly owe the President time, but he owes the country at least discussion and interest on stomach issues like drug control.

That is what bothers me. I am writing this column for two reasons. The second is that it is one more example of the tendency of American governments to appease or mollify dictatorships. If all this opium was being grown and shipped to us from Canada or Belgium, the U.S. would have acted fast.

But we find excuses for appeasement of dictatorships. Not long ago it was because President Assad had a key to the release of U.S. hostages, captured and held in Syrian-controlled territory. Now the U.S. hopes he has the key to a settlement with Israel, though even Israeli negotiators admit he has never actually shown it to them.

But the most important reason for speaking up about Syria is that officials in Washington say dispiritedly that the drug war is not exactly on the radar screen—meaning nobody important in the White House is worked up about it.

And in Congress, Representative Charles Rangel's valuable spotlight committee on narcotics was axed—as was one-third of the State Department's $150 million allocation for helping countries fighting drug production.

After all, "casual" use is going down, right? Right—but casual users are usually white and middle-class. It is not going down on the ghetto drug streets where people are shot for sport, or among the addicted, when they manage to stay out of jail.

If drug use has gone down anywhere, it shows the importance of keeping up the fight, not surrendering, not condemning that part of the population where drugs hurt most.

It's been entirely clear for years that only Presidential leadership can give thrust to the war against drugs. If American police and anti-drug agents can risk their lives fighting growers, dealers and pushers, it is not asking too much of the President to state publicly that the Government of Syria is all three.

A TRIBUTE TO AUDREY BLACKWELL FARTHING FOR 27 YEARS OF OUTSTANDING SERVICE

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. BLACKWELL. Mr. Speaker, it is with a profound sense of pride that I rise today on the floor of the U.S. House of Representatives to honor and pay tribute to my sister, Mrs. Audrey Blackwell Farthing.

This mother of four, grandmother of eight, librarian and educator, has served the people, and particularly the children, of Philadelphia for nearly three decades. On June 30, 1993, Audrey will retire as an employee of the Philadelphia Board of Education. Her retirement represents the end of a career as a librarian which began in 1966. Throughout her tenure, she has generously dedicated her life to the young people of our community, assuming the challenge of shaping their minds through education.

Mr. Speaker, she has served as a role model, leader, civic activist, and true inspiration to everyone. Always outspoken, she has been a forceful advocate on behalf of children. As a Philadelphia resident since early childhood, she is recognized for her rare devotion to improving the lives of Philadelphia's youth, always willing to lend a helping hand or provide a word of advice and support. She has constantly lived her life in struggle so that thousands could live their lives in pride.

Mr. Speaker, as an agent of social change, she has not shrunk from difficulty or tough tasks. She has regularly forged new ground, blazed forbidden pathways, opened doors and created opportunities, and she has done so with charm, graciousness, and love. Her steadfast commitment to enriching the lives not only of students, but adults as well, has given her the right to lay claim to the title of counselor, advisor, mentor, and friend.

With the retirement of Audrey Blackwell Farthing, the board of education, the yoiung people of our city and the entire Philadelphia community will lose a sincere, sensitive, nurturing, and caring woman. I invite my colleagues to rise and join me in congratulating my sister Audrey Blackwell Farthing for 27 years of outstanding service.

ARTICLE ON U.S. TECHNOLOGY

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. RAMSTAD. Mr. Speaker, I rise today to call my colleagues' attention to an excellent article in the June 7 Minneapolis Star-Tribune, written by a dynamic and energetic Minnesota entrepreneur with real experience creating jobs and growing a thriving business in the global economy.

The author of the article, Mac Lewis, recognizes that the development and marketing of technology is clearly one of the most important issues facing our economy.

I am extremely concerned that today's high tax and regulatory environment is making it increasingly difficult for the technology-driven companies in this country to continue to innovate, compete, and increase productivity growth.

When the Federal Government adopts an adversarial stance toward American high technology companies, many are literally regulated out of business—and the American public suffers. Loss of innovation through overregulation is having a direct impact on the health of our economy and our citizens.

Mr. Lewis' article offers an excellent framework for addressing the important issues facing our high-technology companies. This insightful commentary provides the formula to follow in maintaining a vital and growing technological sector of our economy.

Hopefully this article will stimulate the necessary debate to get Congress past the stale old rhetoric and outdated paradigm toward a constructive dialog and public policy which allows our vital high technology sector to compete in the increasingly interconnected world.

The article follows:

U.S. TECHNOLOGY FACING NEW GLOBAL CHALLENGES

(By Mac Lewis)

Thirty-five years ago, the Soviet Union's Sputnik launch—and the fears it generated—galvanized a generation of Americans around this vision: The United States must lead the world in science and technology.

Around this central vision, a variety of tactics—ranging from math and science improvements in the schools to federal funding for innovative technologies—made sense. Ten years after the country focused on this vision, Americans walked on the moon.

Much has changed since then. Economically, we now compete as players in a new global economy. Massive changes driven by new technologies have become the defining characteristic of the 1990s. These changes affect our jobs, careers, companies, markets and our standard of living. Individually and collectively we face new challenges.

The United States is in a period of fundamental and accelerated change as it makes the transition to a global economy. Change is disruptive. Americans need to create a shared vision to serve as a steady compass as we disembark from the familiar, but outdated, domestically oriented economy. As we take this journey together, there are many reasons for optimism. The United States:

Has the largest and best research base in the world.

Has the largest technology market in the world.

Is composed of many cultures, races and nationalities—a valuable asset in an increasingly international economy.

Is, on an absolute basis, the most productive country in the world.

However, there are also problems to be resolved:

U.S. productivity growth is lagging, particularly in the service sector.

For the first time in U.S. history, another nation, Japan, is outinvesting the United States in plant and equipment. This translates into tomorrow's productivity.

Protectionism and "buy American" campaigns—as we've seen with consumer electronics and the auto industry—only delay the action necessary to compete aggressively in a global economy.

The impact of these trends on the U.S. economy is severe. Our largest manufacturing industry, electronics, employs 2.3 million people nationally. During the past decade, the worldwide market share of this important U.S. industry has declined from 66 percent to about 50 percent and, since 1989, has lost more than 300,000 jobs.

The electronics and information technology industry is critical to the nation's future—first, because of its size and, second, because other U.S. industries depend on this technology engine of innovation. If we can make technological leadership a national priority and a shared national vision, these industries can make important contributions in inventing America's future.

The aim is not technology for technology's sake, but rather leadership in technology for

the purpose of creating and keeping jobs and maintaining our standard of living.

The United States continues to lead the world in innovation. Where it falls short of success is in converting mastery at innovation into competitive products. Business and government need to work together to develop the national capability to compete in a global marketplace.

President Clinton has made a call for change. He needs to articulate the national vision—a technology leadership policy focused on removing artificial impediments to the commercialization of innovative ideas and products. He must then work with Congress and business to put the necessary tactics in place to drive the vision.

The electronics and information industry is committed to working with the Clinton administration and Congress to establish the infrastructure and environment needed so that the United States continues to lead the world.

Forging this national vision and developing a national consensus on direction will provide a new framework for stability—for individuals in developing their skills and pursuing their careers, as well as for companies as they innovate and invest to compete globally. This will help us continue U.S. leadership in research and development, increase worldwide market share and expand the U.S. manufacturing base. It also will create more higher-paying, higher-quality jobs in the United States.

The American Electronics Association has identified four key strategies that it believes the nation must embrace to remain the world's technology leader.

Encourage excellence in all aspects of American life.

While this may sound grandiose, there are specific, tangible measures that can and are being set but need the Clinton administration's cooperation and support. For example, companies should establish quality goals and use the national Baldridge Award process to encourage quality improvements throughout industry. In government contracting, we must increase the use of "best value" techniques in contracts to encourage competition based on value, not lowest price. For the work force, business must aggressively invest in employee training while strengthening the school-to-work transition.

Foster partnerships between industry and government.

Actions that reduce the budget and trade deficits will help industry succeed at creating jobs and leading the competition. This includes removing barriers and creating more effective mechanisms for private-sector input into the process of government. As we move the interaction of government and industry from a defense-oriented to a commercial one, continued support for long-term federal research initiatives relevant to the commercial marketplace will be necessary to ensure that the transition is successful and lasting. This type of public-sector focus is necessary. The private sector also needs to be able to implement, operate and deliver competitive products and services without costly and unproductive regulation.

Increase the availability of investment capital.

To do this, the administration must pass a targeted capital gains differential and a permanent research and development credit and adopt a permanent solution to the R&D allocation rules (the "861 Problem"), to name a few tactics.

Open global markets.

More aggressive measures must be taken to do this. Those measures should include, among other things, implementing a truly multilateral and effective export control system based on passage of a re-established statutory export authority. It also is time to implement and support the Uruguay Round of the General Agreement on Tariffs and Trade and the North American Free Trade Agreement.

The American Electronics Association and its member companies offer their assistance in making technological leadership a reality. We are not shy in shooting for the moon—again—with the same down-to-earth planning and hard work we've used successfully in the past.

TRIBUTE TO THE OPERATORS OF PETROFSKY'S ENTERPRISES, INC.

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. TALENT. Mr. Speaker, I rise today to recognize Mr. Jerry Shapiro, Mr. Leonard Petrofsky, Mr. David Petrofsky, and Mr. Robert Petrofsky, all of whom I am proud to represent from the Second District of Missouri. These gentleman are the operators of Petrofsky's Enterprises, Inc., which was recently honored as the 1993 Missouri Exporter of the Year and was selected 1993 Small Business Exporter of the Year by the U.S. Small Business Administration. The honor was awarded in conjunction with the Small Business Week activities which were held here in Washington, DC.

Petrofsky's Enterprise, Inc., established itself as a leader in small business exportation when it began introducing Petrofsky bagels to an international clientele. Petrofsky's initial interest in exporting was a result of the encouragement and support of the Missouri Agriculture Department, international support division. Further, Petrofsky's success is attributable to a high quality product and the ability to successfully fill an international market for bagels.

Additionally, Petrofsky's is committed to small business as the foundation of the American work force. The success of Petrofsky's serves as a role model that will encourage other small businesses to enter the international arena.

Mr. Speaker, it is an honor to represent such an outstanding organization and the individuals responsible for its success.

TRIBUTE TO THE PINE STREET BAPTIST CHURCH, MILFORD, MA

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. NEAL of Massachusetts. Mr. Speaker, it is with great pleasure that I bring to the attention of my distinguished colleagues the 140th anniversary of the Pine Street Baptist Church in Milford, MA.

This historic church was founded on February 15, 1853, in the spirit of religious freedom and separation of church and state upon which this great country is grounded.

The Baptist society objected to paying taxes for the support of any church other than their own, and gathered the various Baptist churches in the New England area to form a single church with the name of Central Baptist. The original charter members only numbered 23, yet their dedication and perseverance ensured the continuing fruitful life of this church.

The church has come a long way since the first year when the pastor earned a salary of $450 per year. The congregation was also farsighted in erecting the present church at a cost of $7,000 back in 1861.

Special mention should be made of the 140th anniversary committee: Richard Palanzi, Nancy and Bob Mayle, Jim and Brenda Lane, Walter Douglass, Mark Wilkinson, Vera Townsend, Estelle Chapman, Ed Greathead, Bob Frazier, Virginia Brenna, and the present pastor, Rev. Paul Traverse. These people have all unselfishly given their time and energy for the benefit of the parishioners.

Please join me in saluting the Pine Street Baptist Church in wishing its members many happy years to come.

TRIBUTE TO THE SEAFORD LIONS CLUB

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. KING. Mr. Speaker, it gives me great pleasure to rise today to mark an important anniversary for one of my hometown's leading civic and philanthropic organizations, the Seaford Lions Club. Tonight, June 15 1993, this outstanding group celebrates 40 years of dedicated community service.

The Seaford Lions can be justifiably proud of their many good works over the years. Its members have made a real difference in the community. They have helped the less fortunate, worked with the disabled, provided a helping hand to both the young and the elderly, and have, in general, helped to make Seaford a better place to live.

The members of the Seaford Lions Club, in the spirit of volunteerism, have for the past 40 years, given generously of their time and talents, instilling a true sense of community in Seaford. Tonight, each and every member of the Seaford Lions Club can be justifiably proud of their impressive achievements.

I salute the Seaford Lions Club and wish its members continued success in the years ahead. Your dedication to maintaining and improving the quality of life in our community is an example to us all.

CLIFF GRESSMIRE, A REAL HERO

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. ROGERS. Mr. Speaker, I urge my colleagues to join me today in recognizing a true American hero, 12-year-old Cliff Gressmire of Somerset, KY.

Last summer, Cliff's grandfather, Clarence Gressmire, awoke in the middle of the night with massive chest pains. After being alerted by his grandfather that he needed to get to the hospital, Cliff bolted into action.

He quickly called for emergency personnel, and then monitored his grandfather's vital signs. In addition to treating his grandfather for shock, Cliff gave vital information to the doctors who treated his grandfather.

According to the emergency personnel on the scene, Cliff's quick work helped save his grandfather's life.

In my opinion, Cliff Gressmire is a true American hero. He is a topnotch Boy Scout, ranked first class, and has already been awarded the Certificate of Merit by the Blue Grass Council. He is also waiting to hear if he will be awarded the National Medal of Merit of Lifesaving from the National Court of Honor.

Mr. Speaker, as we celebrate our Nation's freedom by honoring the Stars and Stripes, let us also take a moment to celebrate the heroes of our great Nation. Cliff Gressmire is another in a long line of great American heroes who deserve our thanks and respect.

TRIBUTE TO JIM BOWMAN

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. GILLMOR. Mr. Speaker, I want to take this opportunity to pay tribute to a very special individual who will be visiting my district this weekend—Jim Bowman, the assistant athletic director for candidate counseling at the U.S. Air Force Academy.

Jim Bowman has been a part of the U.S. Air Force Academy since 1958. Known to his many friends as simply "Bo," he has served in his current position since 1975, scouring the country to recruit those few athletes who have both the athletic and scholastic ability to excel in the elite, winning program known as Air Force athletics.

Bo has indeed touched the lives of countless young people, including many from Ohio, challenging them to push themselves to the limits of their abilities. The fruits of his labor can be seen not only on the playing fields at the Air Force Academy but in the squadrons of the U.S. Air Force, in the boardrooms of American industry, and the classrooms of American schools.

Mr. Speaker, while Jim Bowman's accomplishments in his career in intercollegiate athletics indeed sets the standard for the term "winner," his demeanor, his forthrightness, and his way of doing business also sets the standard for the term "class."

I ask my colleagues to join me in saluting Jim Bowman for his contributions to the U.S. Air Force Academy, to wish him and his lovely wife Mae good health, and to welcome him back home in the Midwest.

SRI LANKAN OPPOSITION LEADER ASSASSINATED

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. FAWELL. Mr. Speaker, on April 23, 1993, Sri Lankan opposition leader Lalith Athulathmudali was assassinated. Just a few short days later the President of Sri Lanka, R. Premadasa, was assassinated in a terrorist bomb attack which also took the life of 24 others. These incidents are simply deplorable and cannot be ignored. I believe the United States House of Representatives must take serious note of these actions in Sri Lanka.

The United States relationship with Sri Lanka is well established. The Peace Corps conducts operations in Sri Lanka and the United States has provided Sri Lankans with the expertise to manage a stock exchange and other aspects of the private sector. Some U.S. universities operate exchange programs with counterpart institutions, along with several American nongovernment organizations which are active in the country. With both United States and Sri Lankan interests at hand, one must ask what type of activities are taking place in Sri Lanka.

I commend President Clinton in his condemnation of the assassinations. I was also pleased to see the smooth transition of government with the election of the former Prime Minister being elevated to President. I am aware that Scotland Yard is presently conducting a thorough investigation of both assassinations. It is my hope that the guilty parties will be identified and justice will be served.

CLINTON MUST GO TO THE PEOPLE

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. SANDERS. Mr. Speaker, I would like to submit for the RECORD an article which I recently published in The Nation, entitled "Clinton Must Go to the People."

CLINTON MUST GO TO THE PEOPLE

(By Bernard Sanders)

As Vermont's lone Representative, and as the only Independent in the House, I am convinced that Congress cannot lead us out of the economic morass of the past twenty years. After all, it was Congress, with many of the same players, that shaped and approved the failed economic policies of the past four administrations. If our economy is to be revitalized, if hope for the future is to be rekindled in the hearts of ordinary Americans, President Clinton must become the boldest leader of modern times. The politics of yesterday, the back-room deals with Congressional leaders, will not work. Clinton must get out of Washington and rally the American people against the greed and self-interest of a ruling elite that is causing massive suffering for tens of millions of working people.

The current economic realities that the President must confront are grim and almost overwhelming:

Twenty years ago the United States led the world in terms of the standard of living we provided our workers. Today, we're in thirteenth place—far behind in wages, benefits, health care, pensions, paid vacation days and educational opportunities. The real wages of American production workers have declined by 20 percent since 1973, and the standard of living for four out of five American families went down during the 1980s.

There has been a massive shift in wealth in the past ten years from the poor and the working class to the rich. According to a 1992 Federal Reserve study, the wealthiest 1 percent of the population now owns 37 percent of the wealth, while the bottom 90 percent owns only 31 percent of the wealth. The annual *Business Week* survey reveals that during the last year alone the C.E.O.s of the major corporations saw a 56 percent increase in their incomes while workers' incomes remained stagnant. The study found that C.E.O.s in America now earn 157 times what a factory worker earns—the greatest gap in the industrialized world.

Many of the new jobs being created are temporary, low-wage, no-benefit positions. Already, one in three American workers is a "contingent" worker—part-time or temporary. The ranks of contingent workers are growing so rapidly that some estimate they will outnumber permanent, full-time workers within the next ten years.

More and more Americans are free-falling into an economic abyss. At least 2 million Americans are homeless; 22 percent of our children live in poverty, including 5 million who are hungry; 37 million Americans lack any health insurance; and more and more workers earn subpoverty wages.

It is almost humorous how, at the end of each month, the Ph.D. economists and TV talking heads analyze the latest economic indicators, attempting to determine whether or not we are out of the recession and "in recovery." Meanwhile, the workers in my state, and working people throughout the country, know the simple truth. They know the economy has deep structural problems. They also know we're going to need radical changes in national economic policy if we are to reverse the current ominous trends. What sort of economic policy can, in the short run, improve life for millions of Americans? The following are some immediate measures that President Clinton should fight for in Congress:

(1) A new jobs bill, stronger than the one defeated by Republican senators. Clinton's bill would have created more than 1 million permanent and summer jobs by investing $19 billion in infrastructure, the environment, the needs of our children and higher education. We need legislation that would create at least 3 million jobs by addressing the long-term neglect and misery that Reaganomics has left us. The people of this country must see, in their own communities and with their own eyes, that government can play a significant role in improving their lives. Japan, a nation with a gross national product almost half ours, is creating millions of jobs by investing more than $100 billion in its infrastructure.

If the Republicans choose to bring government to a halt by filibustering a real jobs bill, the President must, as F.D.R. did sixty years ago, rally the workers of the nation to support his effort. Clinton will not succeed by winning the support of Bob Dole. That's a formula for failure. He will succeed only when he gets back into his bus, goes into the streets of America and rallies tens of millions of workers—black, white, Latino and

Asian, male and female, urban and rural—so that they fully understand what is at stake and what the struggle is all about. Clinton is opposed in Congress not only by the Republicans but by the powerful right wing of his own party. Congress is ready to do the right thing—but only when tens of millions of Americans demand it. Clinton must create that demand.

(2) A raise in the minimum wage to $5.50 an hour. The minimum wage today does not provide a minimum level of dignity for workers, as was intended when it was established in 1938. Rather, it is a starvation wage that, since 1980, has declined in purchasing power by 23 percent. Every American worker should be entitled to a wage that keeps him/her out of poverty.

(3) A single-payer, state-administered national health care system that guarantees comprehensive health care to all. It is absurd to be talking about spending tens of billions more on health care when we already spend far more per capita than any other nation. If the Canadians can provide high-quality health care for all their people, at considerably less cost per capita, we can do so as well.

(4) Labor law reform legislation that makes it easier for workers to join unions. Today employers harass labor organizers, intimidate workers during the certification process and refuse to negotiate a first contract. There will be no real improvement in the lives of workers until the trade union movement is revitalized.

(5) Real tax reform, which asks the wealthy to start paying their fair share. By proposing to raise the top tax bracket from 31 percent to 36 percent, and by adding a surtax on incomes above $250,000, Clinton is moving in the right direction. Given the huge tax breaks enjoyed by the rich over the past decade, however, he should be going much further.

President Clinton's current political problems are directly related to his overall political philosophy. As a moderate New Democrat, he is not prepared to take on the class issues boldly and clearly and rally working-class support to his side.

The truth is that he cannot stir up ordinary Americans to demand health care reform if he is not prepared to take on the private insurance companies that are the major source of waste and inefficiency in our system—and that are preventing us from moving toward a real national health care system.

He can't excite ordinary Americans about "tax fairness" when his Administration is proposing or considering regressive taxes such as the gasoline tax and a value added tax, as well as increased taxes on middle-income Social Security recipients and on health care benefits.

He can't rally public support for deficit reduction while making only minimal cuts in military spending, maintaining the present level of funding of the C.I.A. and continuing to support the superconducting supercollider, the space station and Star Wars.

Bill Clinton won the 1992 election with 43 percent of the vote; 45 percent of the people (mostly poor) didn't bother going to the polls. If present trends continue, he will either be a one-term President or win unenthusiastic re-election in 1996 as the "lesser of three evils." (Already, in Vermont I hear many people who voted for Clinton, and who still see him as far preferable to George Bush, wonder what kind of "change" he will really bring.)

It seems to me that if Clinton is to become a great leader (and he has the intelligence and energy to do so) and bring about the changes that tens of millions of Americans desire, he must soon make a very fundamental decision. either he will continue to propose uninspired legislation that gains the support of the Rostenkowskis, the Borens and the moderate Republicans in Congress, or he will take the case for real change to the poor and working people of this country—and get them politically involved in the fight for a progressive agenda.

What an extraordinary and uplifting occurrence it would be for this country if, in city after city, rural region after rural region, hundreds of thousands of working people came out to hear a President who was unequivocally on their side, who believed that government should work for them and who educated and involved them in the political struggles of the day. Mayor Ray Flynn of Boston recently made a valiant effort to bring together rioting black and white high school students of his city; think what it could mean for the country if President Clinton appeared on national television with black and white Boston youths at his side and asked them to work together for a meaningful summer jobs program, an educational opportunity program and long-term economic development—and involved them in the political process to achieve those goals.

I must confess that in many ways Clinton has turned out to be a more intelligent and decent President than I had expected. Unlike his predecessors, he has shown courage in acknowledging the enormous problems facing this country, and he has not attempted to sweep them under the rug with moronic soundbites and photo opportunities. He has moved boldly to protect a woman's right to choose and has not evaded the very contentious issue of gays in the military. He has, over and over again, spoken eloquently about the crises facing our children and youth—and has proposed funding to address those needs.

Can Bill Clinton succeed in turning this country around, providing hope and power to the millions of people who today have neither? Probably not. The opposition of Congress, the big-money interests and the corporate-owned media is enormous. But if he stands up and takes the bastards on, he may well be surprised how many millions will stand with him. And when that happens, what Bob Dole or Dan Rostenkowski thinks will matter very little.

A TRIBUTE TO MARGARET BREEN

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. SARPALIUS. Mr. Speaker, I rise today to pay tribute to an exceptional person who has given much of herself to the community of Fritch, TX; so much that the entire community honored her with her very own day on June 13, 1993.

Margaret Breen and her husband, George, moved to Fritch in 1956 and from that very first day she began working to make the community what it is today. Not a lot went on in Fritch back then, and Margaret was instrumental in helping to organize the PTA, Band and Football Boosters, Little League and Babe Ruth Leagues, along with numerous other civic organizations. There was no goal too farreaching for Margaret Breen.

During the last 30 years, volunteer work has been something Margaret has craved. Any organization needing help knows they have a willing worker in Margaret, and she has worked diligently over the years for the March of Dimes, the American Heart Association, and the Red Cross.

Everything Margaret has done has been with the complete support of her husband, her two children, Carolyn and Bruce, and her eight grandchildren. Her helping hand has reached out and touched so many people, and the rest of the family is often right there with her in her endeavors.

It takes a special person to spend their life making sure all is right in the world, and I, along with the entire community of Fritch, thank Margaret Breen for doing just that. It is fitting that she has been honored with her very own day and again, I ask my colleagues to join me in congratulating Margaret for a job well done.

LEGISLATION TO EXTEND THE SALES PERIOD FOR THE COLUMBUS COIN

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. LAFALCE. Mr. Speaker, today I am introducing legislation to extend the sales period for the Christopher Columbus Quincentenary coin. This coin, which Congress authorized last year, commemorates one of the most important events in our history—Columbus' discovery of the Americas 500 years ago. The authorizing legislation was entitled the Frank Annunzio Act, as a tribute to Congressman Frank Annunzio, who gave many years of dedicated support to coinage programs in the Congress before retiring last year.

I feel strongly about this coin program not only because it commemorates such an important historical event, but also because it supports a highly worthwhile project. Proceeds from the sale of the Columbus coin go to fund the Christopher Columbus Quincentenary Coins and Fellowship Foundation, the purpose of which is to encourage and support research, study, and labor designed to produce new discoveries in all fields of endeavor for the benefit of mankind. Specifically, the foundation awards scholarships to outstanding individuals to encourage new discoveries in fields such as health care, space exploration, engineering, education, and computer technology, to name just a few areas. The initial funding for these scholarships comes from the sale of the commemorative coins.

Last year's legislation authorized the minting of coins from January 1, 1992 through June 30, 1993. Unfortunately, passage of the legislation was held up by the debate over coin redesign, and as a result, the Columbus coins were not made available for sale until late August 1992. Thus, the proceeds from the sale of the coins have fallen far short of the $25 million that was anticipated.

The legislation I introduce today would extend the sales period until June 30, 1994, so

that the coin will be available for the full time period that Congress originally intended. This will enable more Americans to physically hold a piece of American history in their hands, and will give the Columbus Fellowship Foundation an opportunity to stimulate learning and discovery that America will need to meet the challenges and opportunities of its next 500 years.

INTRODUCTION OF VETERANS HEALTH CARE LEGISLATION

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. CLEMENT. Mr. Speaker, today I am introducing legislation to provide additional authority for the Secretary of Veterans Affairs to provide health care for veterans of the Persian Gulf war.

This legislation will provide the Department of Veterans Affairs [DVA] the legal authority it needs to provide inpatient, outpatient, and nursing home services to those individuals who are experiencing symptoms or illnesses which may be linked to their exposure to radiation or environmental hazards while serving on active duty in the Southwest Asia theater of operations.

In August 1991, a line was drawn in the sand and we began sending troops to the Persian Gulf region. All told, some 600,000 troops were deployed during Operation Desert Shield/Storm. When the dust settled the allied coalition, spearheaded by the United States, had won a decisive victory.

Shortly after the heroes of the Gulf war returned home, some troops began experiencing health problems. Concern mounted as the number of reports increased. The veterans reported suffering achy joints and muscles, loss of hair, chronic fatigue, loss of memory, upper respiratory problems, bleeding gums, headaches, diarrhea, and dizziness, among other things.

Since those reporting these symptoms were previously in good health and there were no similarities other than their service, many began linking the illness to service in the Gulf.

On September 16, 1992, the Veterans' Affairs Subcommittee on Hospitals and Health Care held hearings on the matter. The subcommittee heard testimony from the DVA, Department of Defense [DOD], Environmental Protection Agency, National Oceanic and Atmospheric Administration, and the Centers for Disease Control. These agencies reported on their assessment of the problem and presented the findings of studies they had conducted. In sum, they felt there were very few veterans suffering from the "mysterious illness" and that there was no link between the vets' illness and their service in the Gulf. Of the cases examined by DOD, 29 had leishmaniasis, a parasitic skin disease, and the remainder, including some 75 from an Indiana reserve unit, were attributed to either stress related to deployment and uncertainty of their return home or the fact that in any given number of individuals there will be a certain percentage which will suffer from some sort of ailment. In other words, most of these soldiers would have been sick even if they had not served in the Gulf.

I was skeptical of their findings and began looking into the issue. Since the hearings in September, I have studied the various issues related to the subject and have been in contact with many affected veterans and their families. As most of the reports about those affected by the mysterious illness were anecdotal and there was an absence of hard data, I began an effort to collect such data. To date, I have records on some 70 individual cases.

In the following months, the number of reports continued to increase. And whereas all the attention had previously been focused on the oil well fires, other possible explanations began to surface such as exposure to depleted uranium, pesticides, contaminated water supply, and reactions to the inoculations and antidotes given to soldiers to fend off affects of nuclear, biological, or chemical attack.

So far there has been no success within the DVA or DOD in diagnosing or treating these veterans. The only possible answers have come from civilian specialists. For example, a doctor in Louisiana claims he has isolated a specific bacteria and by eliminating this bacteria he has significantly improved the condition of the four veterans he has treated. In addition, specialists in environmental medicine are absolutely certain that these veterans are suffering from multiple chemical sensitivity. These specialists have also had success in treating some veterans. The DVA and DOD consider both methods experimental.

In February, I became convinced that we needed to hold hearings to hear first hand from those affected by the "mysterious illness" and key individuals which have been involved in the treatment and/or study of this mysterious illness, known as the Persian Gulf syndrome.

Last Wednesday, the Veteran's Affairs Subcommittee on Oversight and Investigations held a day-long hearing on this issue. The subcommittee heard very troubling and emotional testimony from several ill veterans, including an impromptu testimony from one of its own members.

In Wednesday's testimony, Persian Gulf veterans and their families made their views known. The veterans feel they responded to the call to arms, that they are suffering from an illness directly relating to their service in the Gulf, and that they should be provided care.

When questioned about the level, scope, and quality of care the veterans were receiving, the DVA informed the committee that they were currently treating veterans under the auspices of regulations and that they lacked the legal authority to treat veterans complaining of the Persian Gulf syndrome because no direct link has been made between the veterans illness and their service in the Gulf.

The DVA faced a similar problem when Vietnam veterans began seeking treatment of ailments tied to exposure to Agent Orange. As a result, the DVA was given authority to presume qualified Vietnam veterans to be service-connected and thus eligible for treatment at DVA facilities. My bill will give the DVA the legal authority similar to that currently extended to Vietnam veterans.

The DVA reports that of the 600,000 Persian Gulf era veterans, 73,000 have made outpatient visits and there have been 4,500 inpatient visits. And of these 1,400 have complained of these common symptoms. I want to ensure that every veteran which is suffering from these ailments is eligible for treatment. Since a majority of these veterans' visits are made on an outpatient basis, I was not comfortable that this could be done without extending the authority to outpatient visits.

There has been substantial criticism of the DVA. For example, disputes persist about just how many veterans are ill, and why these people are ill. I believe we ought to find the common ground, find the immediate way we can assist these veterans and move forward from there. While I share the concerns raised by veterans regarding the DVA, I realize that they face serious difficulties in trying to treat veterans with an illness whose origin or cause has yet to be determined. And yes, I believe it is true that the DVA was slow in recognizing the scope of the problem and reacting to their need, but I honestly believe there exists a heightened awareness at the highest levels and that these individuals want to provide these affected veterans with care.

There are many questions which remain unanswered and I will continue to work to ensure that every possible explanation for this phenomenon is examined. We must leave no stone unturned. But as we learned from Agent Orange, mustard gas, and atomic radiation, it could take years before these issues are resolved.

The health of these affected veterans continues to deteriorate. Many are unable to perform daily activities and thus are in jeopardy of losing their jobs. This has resulted in a tremendous emotional and financial drain on the veterans and their families. Ensuring that these veterans have access to the best available care is our first priority. My bill will remove all impediments and facilitate the treatment of these veterans.

I urge my colleagues to support this legislation.

COMMUNITY DEVELOPMENT BLOCK GRANT IMPROVEMENT ACT OF 1993 INTRODUCED

HON. KAREN SHEPHERD

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Ms. SHEPHERD. Mr. Speaker, today I introduced the Community Development Block Grant Improvement Act of 1993. I have introduced this legislation with my colleague from Utah, Mr. Orton, to address a problem brought to my attention by city officials of West Jordan, UT.

BACKGROUND AND NEED FOR LEGISLATION

Under current law, a city defined by the Office of Management and Budget as a "metropolitan city" is eligible for CDBG funding if the Census Bureau determines that the city exceeds a population threshold of 50,000. If the Census Bureau later determines that the city does not qualify as a metropolitan city, its CDBG entitlement is scaled back over a period of 3 years. It receives its full CDBG allotment its first year, one-half of that allotment

the second year—the other half of the allotment is directed toward the State government)—and zero the third year. The city is then dependent on the allocation of its State and county for future CDBG funding.

Current law, for the most part, works quite well. If a city's population drops to below 50,000 persons it should not be granted CDBG entitlement status. The experience of West Jordan City, however, has put a spotlight on a couple of problems with the current system.

West Jordan is a rapidly growing city in the southwest corner of Salt Lake County. It is primarily a bedroom community, and a large proportion of its residents are young families. As a result, it is trying to build up its infrastructure and services to accommodate its growing population on an extremely limited tax base. It is the type of community the CDBG Program is intended to assist. West Jordan became eligible for fiscal year 1991 CDBG entitlement after a 1988 Census Bureau estimate. The city government, not surprisingly, then based its future planning on the assumption that it was a CDBG entitlement city. The 1990 census, however, determined that the Census Bureau overestimated West Jordan's population. As a result, HUD began the process of scaling back West Jordan's CDBG entitlement in fiscal year 1992.

The problem with this system is that it can leave a city in CDBG limbo. While there is little doubt that West Jordan will soon reach the 50,000 population threshold—if it has not already—the earliest it can become a CDBG entitlement city is fiscal year 1996. West Jordan officials are confident that the city will hit the 50,000 threshold in the middle of next year. Under current law, however, West Jordan officials have no means of appealing HUD's decision.

DESCRIPTION OF LEGISLATION

My legislation has two parts. Under the CDBG Improvement Act of 1993, a city which has lost its CDBG entitlement in the manner I have described would have the opportunity to appeal this decision to HUD. If the Secretary determines that the city's population before it meets the 50,000 threshold, it would be eligible for its full CDBG allotment until the next official census estimate. If the next official census estimate determines that the city's population once again has not met the 50,000 person threshold, the regular procedures will apply and the city would no longer qualify for a CDBG entitlement.

This legislation does not hold a city government to an unattainable standard of proof. For example, a single annexation of an unincorporated area could put a city over the 50,000 population threshold. Cities maintain detailed information on the construction and housing starts going on within their boundaries, and figures on the average number of individuals per household are readily available.

The second part of my legislation would alter the point at which a city's entitlement is phased down. HUD failed to notify West Jordan officials of its loss of its CDBG entitlement in a prompt manner. HUD officials in Washington knew of the Census Bureau's determination in March of 1992. Yet West Jordan officials were not notified until January of 1993! Currently, HUD is required to scale down the city's entitlement upon determination of the city's population. HUD does inform a city of its entitlement loss only as a matter of courtesy. My legislation requires that HUD begin scaling down a city's entitlement upon formal notification to the city instead. This will ensure that a city is given adequate time to budget accordingly.

I should also point out what this bill does not do:

First, it does not change the authorization of funding formulas for the CDBG program. OMB and the Census Bureau will still be the primary determinants of a city's population and status as a metropolitan city, and I do not propose to alter the amount of funding a city would receive under section 106(b) of the Housing and Community Development Act of 1974.

Second, it does not open a Pandora's box of frivolous appeals. There was only one other city in the Nation which endured the experience of West Jordan in fiscal year 1992. My legislation, as well as the parameters set forth in existing law, determine who is eligible to appeal HUD in the manner I have described. So, a city government that has never been a metropolitan city could not arbitrarily decide that it wanted to appeal to Secretary Cisneros for CDBG entitlement status.

Third, it does not put the burden of proof upon either HUD or the Census Bureau. If a city can't make a good case that it will hit the 50,000 population threshold, it won't recapture its CDBG entitlement.

I came to Congress to try to make Government work better for my constituents and to make it more responsive to the needs of local communities. in a day when the Federal Government continually imposes unfunded mandates upon States and local governments, this legislation is the least we can do. I encourage all of my colleagues to join me in this effort.

TRIBUTE TO ELLAWESE McLENDON ON THE OCCASION OF HER RETIREMENT

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. MENENDEZ. Mr. Speaker, today I proudly rise to honor Ms. Ellawese McLendon on her outstanding service to Rutgers, the State University of New Jersey. Ellawese is an associate professor of home economics with Rutgers cooperative extension, Cook College-Rutgers University, and serves as department head for the cooperative extension in Union County.

As both a professor of home economics and department head for the cooperative extension, Ellawese wears many hats, and all with remarkable success. As extension home economist, she has designed and implemented a comprehensive program in home economics for adults that includes family resource management, leadership, human relations, and housing and energy. In her capacity as department head, she is responsible for the success of the Cooperative Extension program in Union County at all levels. She oversees the fiscal operations, coordinates the activities of the professional and clerical staff, serves as liaison with cooperating government bodies and agencies, and communicates with advisory groups, county officials, and clientele.

Ellawese's service to her professional community is equally impressive. She has served as treasurer of the Rutgers Graduate School of Education Alumni Association; as treasurer, president, and now as secretary president-elect of the New Jersey Association of Extension Home Economists. She has been active with the New Jersey and American Home Economics Association, the Rutgers Chapter and American Association of University Professors, Kappa Delta Phi, the American Adult Education Association, Epsilon Sigma Phi, and Zeta Beta Sorority.

As if this remarkable balancing act were not enough, Ellawese is also active in the community at large. She serves as an adviser to a variety of agencies and organizations providing family-oriented services to individuals and families. She works with her staff to publish a quarterly newsletter entitled "County Visions" which reaches a readership of over 5,000. She has given generously of her time to serve on the boards of many community projects, several community, university, and national committees and currently serves on the Teen Moms' Program Board in Roselle-Bethlehem Missionary Baptist Church, where she also currently serves as a trustee.

Clearly, the admiration of Ellawese's peers is well founded. She will be greatly missed by her students, the university, and the community at large.

A TRIBUTE TO JOHN HARVEY KARAM

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. LANTOS. Mr. Speaker, this year the American Diabetes Association honored Dr. John Harvey Karam as its 1993 Outstanding Physician Educator in the Field of Diabetes. I, too, wish to pay tribute to Dr. Karam for his tireless dedication in the field of medicine.

A well known and respected medical researcher and educator, Dr. Karam has been published over 140 times for his important research of diabetes mellitus. His continuous commitment to improving access to quality medical care in the United States and abroad has blazed a trail for others to follow.

Steadfast in the belief that physicians should provide medical services to all those in need, Dr. Karam is an active member of the flying doctors, a northern California volunteer group which provides medical and dental care to villages in northern Mexico. Recently, as the only doctor at San Francisco's Cinco de Mayo health fair, Dr. Karam provided free medical care to the uninsured people of San Francisco, people who would normally find it very difficult to acquire quality medical services.

Dr. Karam's expertise in the field of diabetes was first made evident by his 1963 article documenting the application of techniques of molecular biology to understanding the genetics

of clinical diabetes. His research has enabled the scientific community to come closer to an understanding of the causes of diabetes.

Called upon for his extensive knowledge, Dr. Karam has been the principal diabetes author for Lange Medical Publications for the last 25 years. He presently contributes to four books which have an international distribution with translations in multiple languages, and edited the June 1992 Perspectives of Diabetes Therapy.

His background impeccable, Dr. Karam graduated from Tulane Medical School in 1953. He then went on to become a resident physician in internal medicine at the Bronx VA Hospital at the time when Berson and Yalow were developing the principles for their radioimmunoassay of insulin.

He later spent a year as a Fulbright Scholar in endocrine research at Hammersmith Hospital in London with Russel Fraser, and in 1960, completed his fellowship training with Dr. Peter Forsham at the metabolic research unit of the University of California, San Francisco where he has remained on staff.

As an educator, Dr. Karam has been a visiting professor and lecturer in diabetes at a number of universities in Japan, Iraq, China, Taiwan, Korea, Singapore, Manila, Jakarta, Caracas, and Lima.

His aptitude, dedication, and integrity are exemplified in his honors and appointments, including professor of medicine and professor emeritus at the University of California at San Francisco; member, metabolic research unit; director, Dorothy Frank Diabetes Fellowship Training program; and advisory board chair, diabetes center.

Mr. Speaker, Dr. Karam, an inspirational teacher and a compassionate physician, has served as a wonderful role-model for his students, his patients, and his colleagues. For his many accomplishments and his impact on the people around him, he is most deserving of this body's recognition. I ask my colleagues to join me in paying tribute to him today.

COMMEMORATING NAVAJO NATION'S WEEKEND OF PRAYER

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. PASTOR. Mr. Speaker, I would like to call the attention of my colleagues to the Weekend of Prayer, designated by the Navajo Nation, that occurred on June 5–6. The Weekend of Prayer was called in honor of the victims of a mysterious illness that has recently afflicted parts of the Southwest. I extend my deepest sympathy to the families and friends of the victims of this disease, and to the communities that have been shaken by these untimely deaths. The illness, now referred to by medical experts as acute respiratory distress syndrome, has caused the deaths of 11 residents of Arizona and New Mexico since March, 7 of whom were Navajos. Among the victims have been many young and healthy people, including a 13-year-old girl.

Navajo Nation President Peterson Zah called upon Americans of all faiths to participate last week, expressing hope that "all Navajo and non-Navajo victims of this tragic illness will be in the prayers and thoughts of millions of Americans this weekend."

The deadly illness, a flu-like disease, has afflicted at least 18 people living on or near the Navajo reservation on the New Mexico-Arizona border, but is by no means a Navajo-specific problem. Data from blood tests of disease victims, conducted by the Federal Centers For Disease Control, have not been confirmed, but medical experts have learned more about the virus that they believe is responsible, and no new cases have been reported for over a week.

Mr. Speaker, Navajo Nation leaders have been disturbed not only by the deaths, but also by inaccurate references to the disease in the media. Misleading reports have served both to stigmatize Navajos and needlessly frighten tourists. "There is a great concern that inaccurate talk of a 'Navajo flu' or more broadly 'Navajo illness' will lead to unfounded efforts to segregate or otherwise avoid contact with Navajos," President Zah said. Medical investigators on the case have repeatedly stated that the illness is not to be considered very contagious, if at all, and the Centers For Disease Control, as well as the Health Departments of both Arizona and New Mexico, confirm that travel to the Four Corners area should not be considered unsafe. No travel restrictions have been issued, and investigators say that there is no evidence that the illness is a threat to tourists in the area.

Leaders of the Navajo Nation, whose 200,000 members make up the largest U.S. Indian tribe, emphasize that business and activity on the reservation have not been interrupted by the outbreak. President Zah and members of the Navajo Nation have expressed their desire to continue to share the beautiful land and culture of the reservation with visitors throughout the world and to reassure these visitors that Navajoland is a safe and beautiful place to visit.

Mr. Speaker, I appreciate this opportunity to express my sympathy to all those that have been touched by this tragedy and to clarify the limited dangers that the illness poses for tourists in the Southwest. I ask that my colleagues join me in extending my best wishes to the Navajo Nation as it turns its focus to healing its people and aiding the families and communities of the victims.

LSU BASEBALL NCAA CHAMPIONSHIP

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. BAKER of Louisiana. Mr. Speaker, I am proud to commend the Louisiana State University Tigers baseball team for winning their second national championship in just 3 years. This past Saturday, the Tigers beat Wichita State University by a very impressive score of 8 to 0 in the championship game of the College World Series in Omaha, NE.

As all champions do, the Tigers truly dominated the final game. Freshman pitcher Brett Laxton shutout Wichita State, allowing only three hits and setting a College World Series record with 16 strikeouts in a game. The Tigers were also led by the clutch-hitting sophomore All-American Todd Walker, who was named the most valuable player of the series. This team was claimed, by some, not to be the most talented group that took the field in Omaha last week, but each player showed the heart of a true champion by overcoming tremendous adversity throughout the season. The College World Series in Omaha was no different from the regular season. On Friday night, the LSU Tigers came back and won against Long Beach State when they were two outs away from elimination from the tournament.

Coach Skip Bertman deserves special credit for this victory. He has led his team to national championships in 2 of the last 3 years, taken LSU teams to the College World Series an unbelievable 6 out of the last 8 years, and has now won a record four straight Southeastern Conference championships.

I am very proud of the recent success of LSU baseball, and I am confident that they will continue to maintain their place as the elite college baseball program in the United States. I am proud that the end product of this effort is not simply a national championship, but young men who know never to give up and how to succeed.

TRIBUTE TO CASA GRANDE HIGH SCHOOL

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Ms. WOOLSEY. Mr. Speaker, I rise today to pay tribute to Casa Grande High School in Petaluma. Over 9 years ago, science teacher Tom Furrer began his efforts to open a state-of-the-art fish hatchery at the school. Recently, his dream became a reality. Casa Grande High School opened the first California hatchery on a school campus. Mr. Furrer's undying commitment to preserve the natural resources of the north coast of California, and his dedication to the best possible education for local children, should serve as a shining example for everyone. Congratulations to Casa Grande and thanks to Tom Furrer.

[From the Press Democrat, Apr. 26, 1993]

SCHOOL HATCHERY MAKES HISTORY—PETALUMA IN TEARS OVER ITS ACHIEVEMENT

(By Ronnie Cohen)

PETALUMA.—"God Bless America" boomed from two loudspeakers as a former Casa Grande High School student tearfully recalled the long climb toward creating a $510,000 fish hatchery at the campus.

Despite many setbacks, the state's first high school fish hatchery is now operating. And the 20-foot high, 3,000-square-foot building with its four 31-foot-long fish raceways is a testament to Casa Grande teacher Tom Furrer and his idealistic band of students.

"This hatchery is not just a building," said former student John Conley, his voice cracking. "It symbolizes that anyone can do anything."

Conley's eyes weren't the only damp ones Sunday. About 300 packed the redwood

hatchery for an emotional dedication ceremony.

Furrer, who teaches wildlife and natural sciences, gave an impassioned 40-minute thank you speech.

"I talked a long time, I know." Furrer said. "But I've been waiting for it for nine years."

"We have made a difference," said Julie Stratemeyer. A 1989 Casa graduate, Stratemeyer dedicated herself to raising money for the hatchery because she wanted to save dying Adobe Creek and its endangered steelhead trout population.

During the ceremony, Petaluma city schools Superintendent Chuck Cadman said he learned a lesson from the hatchery.

"I'm embarrassed and a little bit ashamed to tell you I didn't think it was possible. Half a million dollars to do something that hadn't been done anywhere else in the United States. The banner here kind of says it," Cadman said, pointing to the words, "Together We Stand. Together We Dream. Together We Will Change the World."

Inside the "o" in world, students painted a peace symbol.

"For the rest of my time on Earth," Cadman said, "I'll feel different about dreams."

Furrer said the ups and downs of the quest to restore the creek near the east Petaluma high school and to build the fish hatchery would make a great Hollywood movie.

The biggest hitch came in 1988, after Furrer and his students, members of United Anglers, turned an abandoned campus greenhouse into a hatchery where the creek's steelhead could be raised. But as soon as students stocked the hatchery with fish, they learned the building didn't comply with state earthquake codes.

School officials said they had no choice but to condemn the building.

"We wouldn't let it stop us," a sobbing Conley, who graduated in 1988, said at a Sunday morning press conference.

Furrer and his students immediately decided to build an entire new hatchery from the ground up and began fund raising.

The money came from small and large donations, state grants and county funds.

"The biggest thing I've learned is anyone can make a difference," senior Ben Jones said.

At the end of the public ceremony, Furrer's students from as far back as the class of 1983 lined up to personally thank their supporters and Furrer.

UTAH CONDUCTING EARTHQUAKE PREPAREDNESS EXERCISE

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. HANSEN. Mr. Speaker, for the past week, the Federal Emergency Management Agency [FEMA], in close cooperation with the State of Utah, has been conducting an earthquake preparedness exercise in the Salt Lake City metropolitan area by simulating a 7.5 Richter magnitude quake along the Wasatch Fault. Known as Response '93, this exercise has been a joint training effort for local, State and Federal disaster responders. The exercise was designed to improve the way in which governmental agencies react to a catastrophic emergency. Given the significant earthquake threat which exists along the Wasatch Fault, I am grateful to FEMA and the other Federal, State, and local agencies involved for their dedicated and timely efforts.

Experts tell us that a 7.5 magnitude quake along the Salt Lake portion of the Wasatch Fault could kill approximately 3,500 people and cause up to $10 billion in damage. It is believed that the chance of a large earthquake along the fault during the next 50 years is about 20 percent. With more than 85 percent of this State's population living adjacent to the fault area, efforts to prepare the residents of Utah for such a worst-case scenario cannot be overemphasized. Now is the time—before a major earthquake strikes—for government at the Federal, State, and local level to do everything in its power to address the earthquake risk and to work to reduce its potential impact on people and property.

Response '93 took 2 years of active planning to execute and reflects FEMA's commitment to providing supplemental support to State and local governments in preparing for, and responding to, a disaster. This exercise is the eighth in a series begun in 1984. The fourth Response '89, was held in Sacramento, CA, just 2 months before that State's devastating Loma Prieta earthquake and demonstrated in the starkest terms imaginable the importance of these training activities. While I hope that Utah never has to experience a disaster of that severity, I am convinced by Response '93 that should the need arise, the Federal agencies under FEMA's leadership will respond quickly and effectively.

The State director of my Utah district office, Peter Jenks, spent several hours observing the activities of Response '93 at Camp Williams, which is located about 30 miles south of Salt Lake City and served as the central field location for the exercise participants. I am very encouraged by the reports I have received from him, especially from his description of FEMA's technical and communication abilities and by the active involvement of congressional offices in the exercise.

With more than 5,100 exercise participants, all aspects of Federal, State, and 'ocal emergency disaster assistance were tested during the 4 days of an activity. Particularly impressive was the emphasis FEMA and the 26 other Federal departments and agencies with response duties placed on integrating their roles with the State. In an actual response situation, the personnel of these Federal agencies must join the State and local officials who bear the brunt of the disaster's effects and work as full partners in responding to the needs of the affected communities.

The comprehensive nature of this exercise serves not only to prepare disaster workers and area residents for a major earthquake, but also effectively demonstrates the scope of our Nation's response capabilities. The ability to respond to emergencies of all types is critical to the security of the United States and is a basic and fundamental role of government at all levels. As the main point of contact within the Federal Government for emergency management activities, these exercises are central to FEMA's continuing efforts to provide the leadership and support necessary to reduce the risks to life and property from future catastrophes.

In closing, I would like to note that this is the decade for natural disaster reduction. Every day, we all face the risk of an earthquake or other disaster. At the same time, it must be remembered that we share a personal responsibility to be prepared for a disaster. I am extremely pleased that FEMA is continuing to demonstrate its commitment to emergency preparedness through activities such as Response '93, and I hope the exercise serves as a dramatic reminder for the residents of Utah and the rest of the Nation.

CITIZEN COSPONSORS OF THE FAIR ACT

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. MORAN. Mr. Speaker, on March 10, Representative GOODLING and I introduced the Fiscal Accountability and Intergovernmental Reform [FAIR] Act to help State and local governments ameliorate their most crushing financial burden: unfunded Federal mandates.

We feel this legislation is necessary to safeguard against a tendency within our institution and among Federal agencies to resort to more and more Federal requirements without providing the funds to implement them.

Like the National Environmental Policy Act, this measure will require Federal agencies to analyze the economic costs of new regulations before they are adopted.

And, like the 1974 Budget Reform Act, our bill will require that legislation cannot be considered by the full House or Senate without an analysis by the Congressional Budget Office of the cost of compliance to State and local governments and the private sector.

News of this legislation is spreading among those it will help most: our cities' mayors. Mayors from every State and territory have been writing in support of the FAIR Act and urge swift congressional action.

Support for mandate relief is building on numerous fronts. The New York Times recently ran a series of articles focusing on how our Nation's regulatory policies have strayed from their original purpose.

Mayors from 114 cities in 49 States wrote President Clinton urging the White House to focus on how policymaking has gone awry. And finally the National League of Cities has made unfunded Federal mandates one of its top five political priorities in Washington.

In the next several weeks Representative GOODLING and I will be entering into the CONGRESSIONAL RECORD the names of hundreds of mayors from both parties and each State who have agreed to be citizen cosponsors of our FAIR Act initiative.

The time has come to make the Federal Government accountable for the actions it takes on behalf of our cities and States.

Today I am entering in the RECORD the names of 20 citizen cosponsors who are urging us to take meaningful Federal mandate reform action.

CITIZEN COSPONSORS OF THE FAIR ACT—JUNE 10, 1993

1. Thomas McKnew, mayor-commissioner, Gainesville, FL.

2. Ed Martin, mayor, Warner Robbins, GA.

3. Frank Portusach, mayor, Agana Heights, Guam.

4. Linda Lingle, mayor, Wailuku, HI.

5. Al Manning, mayor, Waterloo, IA.

6. Francis Burke, mayor, Enfield, CT.

7. Frank Esposito, mayor, Norwalk, CT.

8. Courtland Collier, city commissioner, Gainesville, FL.

9. Lillian Eaton, mayor, Yucaipa, CA.

10. Patricia Castillo, mayor, Sunnyvale, CA.

11. Clyde Bland, mayor, Tracy, CA.

12. Quitman Mitchell, mayor, Bessemer, AL.

13. Robert Tippet, mayor, Yuma, AZ.

14. Peter Angstadt, mayor, Pocatello, ID.

15. Verne Hagstrom, mayor, Quincy, IL.

16. Paul Gordon, mayor, Frederick, MD.

17. Steve Duchane, city manager, Sterling Heights, MI.

18. David Dominick, mayor, Muncie, IN.

19. Michael Capuano, mayor, Somerville, MA.

20. Michael Albrecht, mayor, Des Plaines, IL.

BEETHOVEN FESTIVAL OF KERN COUNTY, CA

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. THOMAS of California. Mr. Speaker, I rise today in recognition of the Beethoven Festival of Kern County, CA, which is celebrating its 13th year bringing the music of Beethoven to Kern County.

Fine musicians from throughout California, joined by local musicians, will come together in the last 2 weeks of June to perform the works of Beethoven, Mendelssohn, Haydn, and Mozart, to name just a few.

Begun as a way to educate and fill a musical void, and to eliminate the need for residents to travel long distances for this kind of music and opportunity, this year's concert series will span 10 days. It includes a children's concert, where children will have the opportunity to join the musicians on stage and play along or later to try out different instruments for perhaps the first time. Other events include master classes for young musicians in strings, woodwinds, brass, piano, and voice, two orchestral concerts and three chamber concerts.

Over the past 13 years, the festival has grown from just 4 events in Tehachapi to 12 events centered around the Bakersfield area. In its ongoing efforts to reach out to the culturally diverse community, the festival this year will feature music from India. Attendance has grown from just a few hundred to an expected 2,000 this year.

I join with those who have participated in the festival in congratulating organizers for their efforts and good work and to wish them a successful 1993 festival.

LEGISLATION TO RECOGNIZE THE UKRAINIAN AMERICAN VETERANS, H.R. 2424

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. GILMAN. Mr. Speaker, I am pleased to join with my distinguished colleagues—the gentleman from Michigan (Mr. BONIOR), the gentleman from Ohio (Mr. HOKE), and the gentleman from New York (Mr. HINCHEY)—in introducing legislation, H.R. 2424, that will grant a Federal charter to the veterans organization known as Ukrainian American Veterans, Inc. This legislation recognizes and honors the thousands of Ukrainian Americans who have fought for the ideals and principles that our great country represents.

Through the years, Ukrainian American veterans have demonstrated their determination and dedication by bravely fighting in the defense of the United States. Ukrainian American veterans have served in the U.S. armed services, and have aided in the destruction of the tyrants and oppressors that have confronted our great Nation. Accordingly, based on their distinguished military service, Ukrainian American veterans fully deserve appropriate recognition.

By providing our Ukrainian American veterans with a Federal charter, our Nation will recognize this special group of American heroes. This measure also protects and preserves the foundations that our Nation was founded upon and will promote patriotism and respect by commemorating the military actions, wars, and campaigns of the United States in which they were involved.

I am pleased to introduce this legislation, along with Mr. BONIOR, Mr. HOKE, and Mr. HINCHEY and we urge our colleagues to join us in supporting the courageous military service of Ukrainian American veterans. We truly believe that this legislation, H.R. 2424, demonstrates a commitment to democracy and liberty. Providing a Federal charter to the Ukrainian American veterans is a symbolic tribute of respect for our Ukrainian American veterans as our Nation continues to promote freedom throughout the world.

H.R. 2424

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

SECTION 1. CHARTER.

The Ukrainian American Veterans, Incorporated organized and incorporated under the laws of the State of New York, is hereby recognized and granted a Federal charter.

SEC. 2. POWERS.

The corporation shall have only the powers granted to it through its bylaws and articles of incorporation filed in the States in which it is incorporated and subject to the laws of such States.

SEC. 3. PURPOSES.

The purposes of the corporation are those provided in its articles of incorporation and include a commitment, on a national basis, to—

(1) preserve, protect, and defend the Constitution of the United States;

(2) commemorate the wars, campaigns, and military actions of the United States in order to reflect respect, honor, and tribute for the dead and the surviving veterans;

(3) give individuals throughout the Nation a greater understanding of and appreciation for the sacrifices of the people who participated in any military action on behalf of individuals throughout the United States;

(4) stimulate, to the highest degree possible, the interest of the entire Nation in the problems of veterans, their widows, and orphans;

(5) collect, edit, publish, and preserve records and momentos of patriotic service of veterans of the Armed Forces of the United States;

(6) foster the association of veterans of Ukrainian descent who have served in the armed forces of the United States; and

* * * * *

SEC. 8. RESTRICTIONS.

(a) USE OF INCOME AND ASSETS.—No part of the income or assets of the corporation may inure to any member, officer, or director of the corporation or be distributed to any such person during the life of this charter. No provision in this subsection may be construed to prevent the payment of reasonable compensation to the officers and employees of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) LOANS.—The corporation may not make any loan to any member, officer, director, or employee of the corporation.

(c) POLITICAL ACTIVITY.—The corporation, any officer, or director of the corporation, acting as such officer or director, may not contribute to, support, or otherwise participate in any political activity or in any manner attempt to influence legislation.

(d) ISSUANCE OF STOCK AND PAYMENT OF DIVIDENDS.—The corporation may not issue any shares of stock or declare or pay any dividends.

(e) CLAIMS OF FEDERAL APPROVAL.—The corporation may not claim the approval of the Congress or the authorization of the Federal Government for any of its activities.

(f) Corporate Status.—The corporation shall maintain its status as a corporation organized and incorporated under the laws of the State of New York.

(g) CORPORATE FUNCTION.—The corporation shall function as an educational, patriotic, civic, and historical organization under the laws of the States in which it is incorporated.

SEC. 9. LIABILITY.

The corporation shall be liable for the acts of its officers, directors, employees, and agents whenever the officers, directors, employees, and agents act within the scope of their authority.

SEC. 10. MAINTENANCE AND INSPECTION OF BOOKS AND RECORDS.

(a) BOOKS AND RECORDS OF ACCOUNT.—The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors.

(b) NAMES AND ADDRESSES OF MEMBERS.—The corporation shall keep, at its principal office, a record of the names of all members having the right to vote in any proceeding of the corporation.

(c) RIGHT TO INSPECT BOOK AND RECORDS.—All books and records of the corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time.

(d) APPLICATION OF STATE LAW.—No provision of this section may be construed to contravene any applicable State law.

SEC. 11. AUDIT OF FINANCIAL TRANSACTIONS.

The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under the Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end of the following:

"Ukrainian American Veterans, Incorporated.".

SEC. 12. ANNUAL REPORT.

The corporation shall annually submit to the Congress a report concerning the activities of the corporation during the preceding fiscal year. The annual report shall be submitted at the same time as is the report of the audit required by section 11. The report shall not be printed as a public document.

SEC. 13. RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER.

The right to amend or repeal this Act is expressly reserved to the Congress.

SEC. 14. DEFINITIONS.

For purposes of this Act—

(1) the term "corporation" means the Ukrainian American Veterans, Incorporated; and

(2) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Somoa, the Trust Territories of the Pacific Islands, or any other territory or possessions of the United States.

SEC. 15. TAX EXEMPT STATUS.

The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986.

SEC. 16. TERMINATION.

The charter granted in this Act shall expire if the corporation fails to comply with any provisions of this Act.

TRIBUTE TO ARC BEAVER COUNTY, INC.

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. KLINK. Mr. Speaker, I rise today to pay tribute to the Association of Retarded Citizens Inc. [ARC] Beaver County, Pennsylvania Chapter in celebrating its 20th year in 1993 of providing quality residential camping opportunities for children and adults with mental retardation.

The ARC Beaver County Chapter Inc. has sponsored and operated each of the past 20 years a quality residential camping program which offers a unique opportunity in the outdoors for personal growth and social adjustment by helping campers realize their full potential and capabilities.

Over the years the ARC Beaver County Chapter Inc. and in particular its residential camping program has received numerous awards honoring its many achievements, and is recognized for being in the forefront of innovative camping programs for people with mental retardation and other developmental disabilities, and has consistently received full accreditation from the American Camping Association [ACA] for exemplary performance.

The ARC Beaver County Chapter Inc. continues to actively demonstrate its commitment to people with mental retardation to live, learn, work, and enjoy recreation in the most normal environment possible.

Mr. Speaker, I commend the Association of Retarded Citizens [ARC] Beaver County Chapter Inc. on their 20th anniversary of providing quality camping services to people with mental retardation.

ROBERT CARTER RANDOLPH IV

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. DORNAN. Mr. Speaker, on May 19 I took to the floor of the House to bring to the attention of my colleagues the matter of Robert Carter Randolph IV, a Clinton-Gore fundraiser and candidate for Federal appointment. Since that time, the good citizen who brought this matter to my attention has provided further information about Mr. Randolph's personal history and clarified many of the events of 20 years ago. I have attached an article from the New York Times of September 8, 1971 and excerpts from a letter that further explains the events surrounding Mr. Randolph's history. I bring these materials to my colleagues' attention.

[From the New York Times, Sept. 8, 1971]

TWO MARINE LIEUTENANTS QUIT AS OBJECTORS

(By Emanuel Perlmutter)

Two former Marine officers said yesterday that revulsion against killing and the inhumanity of war has led them to seek discharge as conscientious objectors.

The young men, who were released from the service Friday, discussed their philosophies at a news conference in the office of the American Civil Liberties Union, 156 Fifth Avenue.

Marvin M. Karpetski, general counsel for the organization, which successfully argued their case, said they were the first officers to win release from the marines as conscientious objectors, although enlisted men had been released before.

The two former marines are Robert C. Randolph, 27 years old, of Lawrenceville, Va., a direct descendant of Edmund Randolph, one of the first families of the Virginia Colony, and John P. McDonough, 22, of Farmingdale, L.I., whose father is a truck driver.

Both were separated from the service at the marine base at Quantico, Va., where they had been undergoing training, Mr. Randolph as a first lieutenant and Mr. McDonough as a second lieutenant.

"I have refused to participate in war because I found it morally disgusting and an act of treason against my conscience," explained Mr. Randolph, a sandyhaired young man. "My Marine training was indoctrination in a uniquely pernicious value system that showed a fundamental insensitivity to the human condition."

Mr. Randolph was graduated from Virginia Military Institute in 1987, where he was on the football team, spent three years as a Rhodes Scholar at Oxford and then started his marine training last September. A condition of graduation from V.M.I. was acceptance of a commission in the armed forces, he said.

"I thought that military school would prepare me for a career as a responsible citizen serving my country," he said. "But after taking a course in moral philosophy at Oxford, I realized that militarism was incompatible with humanity."

Mr. McDonough, who has black hair and a mustache, said his training as a Roman Catholic had led him to his present stand.

"I began to see the killing of a human being as murder, whether by euthanasia, abortion, capital punishment or warfare," he said.

He said he had joined the marines last September after graduation from the University of Dayton.

The two young men said that their decision to seek conscientious objector status had been made separately, but that they had leaned on each other "for moral support." Both are married, but childless.

They called upon the Civil Liberties Union for aid, they said, after the Marine Corps tried to discharge them as leadership failures rather than as conscientious objectors.

Mr. Randolph is entering Harvard Law School this month. Mr. McDonough is going to work for a New York accounting firm.

[EXCERPTS OF LETTER]

"When I spoke with your staff on May 18th, I stated that the principal matter which gave me very great concern was that although Bob Randolph accepted a commission in the United States Marine Corps upon his graduation from the Virginia Military Institute in June of 1967, he chose not to serve his active duty military obligation on his return from his graduate studies duty deferral, declared himself a conscientious objector, and was subsequently released from his service obligation. My question, as I stated it to your staff, was that if it was inconvenient for Bob Randolph to serve the nation then, why should he be allowed to serve now, as an appointed officer of the Federal Government? I recommended that if Bob's nomination for US Attorney came up for review, he should be asked to clearly explain his position on this point."

"Last week I received copies of newspaper articles about the events surrounding Bob Randolph's release from Marine Corps duty, which were originally published in September 1971. These articles are the first media coverage of the matter I have ever seen. I have also discussed the situation directly with Bob Randolph. On the basis of the newspaper articles, and my conversations with Bob [Randolph], I have concluded that the events, as we believed Bob to have participated in them, have their kernel in the accounts given in the 1971 articles, and have become distorted over the last twenty-two years."

"The information which has recently been made available to me indicates that Bob Randolph did not organize Marine recruits to protest the war in Vietnam, or appear on national television in a Marine Corps uniform to condemn the United States. I have also been informed that he did not receive a Marine Corps scholarship while at VMI. It is likewise inaccurate that after his graduation from Harvard Law School, he accepted a position with a British firm in Singapore . . . ." In fact, after graduation from Harvard, he clerked for a federal judge in Richmond, Virginia. He then practiced law in Seattle, Washington for thirteen years. From 1988 to 1991, he served as managing Director of a public company (with a British parent) based in Singapore. He is currently practicing law in Seattle."

"I do remain firm in my conviction that Bob Randolph, if he should come forward for confirmation for a government appointment, should be asked to clearly explain his views on the principal matter, as I have stated it at the beginning of this letter. Thanks very much for your efforts."

HONORING STEPHEN HERMAN FOR SCOUTING LEADERSHIP

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. ACKERMAN. Mr. Speaker, I rise today to call the attention of the House of Representatives to my good friend and constituents, Stephen R. Herman, who is being honored by the Nassau County Council of the Boy Scouts of America for this most unique and outstanding leadership in Scouting's Eagle Program.

Stephen Herman's involvement in scouting goes back more than four decades. He joined scouting as a youngster in the early 1950's, and received his Eagle Badge in 1957. He soon went on to leadership positions in this troop, and became a brotherhood member in the Order of the Arrow.

During his many years of professional growth and community involvement, Stephen was an active leader of our youngsters. He became not only a coach, but also commissioner of the Hicksville Soccer Club. In 1983 Stephen again became involved with scouting. He joined the National Eagle Scout Association, and reactivated the Arthur Eldred Chapter, where he has since served on every Eagle Recognition Dinner Committee.

Mr. Speaker, when Stephen Herman became chairman of the chapter in 1987, it had only five members. Today, the officers and executive committee alone boast over 25 members. He founded the Eagle Ceremonial Assistance Committee, and he saw the program grow under his leadership. One of his proudest achievements was to organize the first Gathering of Eagles in Nassau and Suffolk Counties in 1991. In addition, Stephen has served on the Nassau County Council since 1991, and he has received the prestigious Silver Wreath Award for distinguished service and leadership of the local Eagle Scout Association. As an Eagle Scout myself, I know full well the dedication and commitment necessary for Stephen to attain this lifetime of leadership.

Stephen's leadership activities as an Eagle Scout have contributed to his significant achievements as a business professional. A noted authority on qualified retirement plans, Stephen is a chartered life underwriter and a chartered financial consultant. He is one of 1,500 members of the Association of Advanced Life Underwriters, and a member of the Million Dollar Round Table, whose charitable foundation will be honoring Stephen with its Quality of Life Award for his dedication to scouting.

Mr. Speaker, I ask my colleagues in the House of Representatives to join with me now in recognizing and honoring Stephen H. Herman, whose dedication to scouting his enriched both our youngsters and community.

TRIBUTE TO FATHER RAYMOND BAUMHART

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. ROSTENKOWSKI. Mr. Speaker, I rise today to honor one of Chicago's finest University presidents, Father Raymond Baumhart. Having served as president of Loyola University Chicago for 23 years, Father Raymond Baumhart, S.J. will retire this summer. He has the distinction of being the longest tenured president in the University's history.

As an alumnus of Loyola University Chicago, I have great admiration for the example that Father Ray has set for the students, faculty and administration.

The university was founded in 1870, the year before the Chicago Fire, as a local university serving primarily Chicago commuter students. The Baumhart years have been marked by sustained, solid growth. Under his leadership, Loyola has acquired the status of a national university. Loyola's alumni are located in Europe, Asia, Africa, and South America, in addition to the thousands of Loyola-trained educators, business and professional people, and health care professionals living and working in the Chicago metropolitan area. Of Loyola's more than 104,000 alumni, 63,000 have Father Baumhart's name on their diplomas.

The university has witnessed incredible changes since Father Baumhart took over the administration of Loyola. Today, Loyola has become a major institution in the Chicago landscape and the number of full-time faculty has doubled, research dollars have more than quintupled, and Loyola's endowment has grown to 20 times its 1970 level. Loyola's Foster-McGaw Hospital has become recognized as a national leader in the treatment of heart disease. Despite this impressive growth, Father Ray has worked hard at keeping student costs low, so that a Loyola education remains accessible and affordable.

Father Baumhart's skill with numbers and his compassion for people come together in his role as administrator. As he likes to describe himself, he is a servant leader. During his quarter century of university administration, people have always counted for more than the numbers—whether they be students, patients, employees, alumni, or friends of Loyola.

Father Baumhart's compassion, dedication and good cheer will be missed.

EXPLANATION

HON. GARY A. FRANKS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. FRANKS of Connecticut. Mr. Speaker, I would like to take this opportunity to explain why I was considering resigning from the Congressional Black Caucus.

Right after my election to Congress in 1990, I was frequently asked whether or not I would join the Congressional Black Caucus. My joining the caucus made me the first Republican voting member from the House of Representatives in its history. As a duly elected voting Member of Congress and as an African-American, I felt that it was my duty to serve in the Congressional Black Caucus, regardless of my party affiliation.

My attendance over the last 2½ years would rank among the best. But based on their most recent action, my presence has been to the dismay of some of my black colleagues. Over the past 2½ months, I have been routinely asked to leave Congressional Black Caucus meetings. Many times I would make a statement that would be contrary to their opinion, and then a motion would be made and a quick vote would be taken to resolve the Congressional Black Caucus into the Democratic Black Caucus. It would pass overwhelmingly and I would be asked to leave the meeting.

Since my congressional account would help fund the Congressional Black Caucus, I felt that my constituents were being shortchanged. For the CBC to conduct the bulk of their business after they have resolved themselves into the Democratic Black Caucus meant that taxpayers dollars from my office were being wasted. Thus, I had planned to resign from the Congressional Black Caucus. Though I did believe that I should leave the Congressional Black Caucus, I have been compelled to stay by my constituents.

Over the weekend, I have been inundated with phone calls to my home in Waterbury. The vast majority of the people expressed their objection to my resignation from the CBC. Their reasons varied, but the consistent themes focused on the following. No. 1, for the sake of all African-Americans, who agree with the goals and objectives of the Congressional Black Caucus but vehemently disagree with the CBC's opinions and/or recommended solutions, it would be good for me to remain in the Congressional Black Caucus.

No. 2, when it comes to issues affecting African-Americans, I could be more effective within the Congressional Black Caucus than outside the Congressional Black Caucus, regardless of the level of participation granted by the other 39 members.

People also reminded me of the subtle impact I had on the Clarence Thomas confirmation process as the lone member of the CBC to support Mr. Thomas. People reminded me of the small role I played between House Republicans and CBC members on the most recent civil rights bill, a bill that failed in 1990 but passed with nearly 400 House votes in 1991.

In conclusion, as long as I am a Member of Congress and black, I will continue to belong to the Congressional Black Caucus. With the exception of the aforementioned issue, I am not going to express any other concerns or problems I have with the Congressional Black Caucus. It is my opinion that what occurs in the caucus or in any other caucus, for that matter, should be left in the caucus.

SUPPORT TORRICELLI AMENDMENT

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. DELLUMS. Mr. Speaker, later, my good friend and colleague, the gentleman from New Jersey, Mr. TORRICELLI, will be offering an amendment to the foreign aid authorizations bill that, in part, will limit the amount of economic assistance that may be given in unrestricted cash payments. This is designed to encourage either the provision of U.S. assistance in the form of U.S. goods, commodities, and services pursuant to a side letter of agreement between the U.S. Government and the recipient government.

Because my own Armed Services Committee has an extremely heavy schedule today, I will be precluded from joining my colleagues in the debate on the amendment, but I want to take this opportunity, Mr. Speaker, to urge all my colleagues to support the Torricelli amendment, which will benefit not only the recipient nations, but our own economy, as well.

In these troubling economic times in which we now find ourselves, it is only right and fair—now more than ever—that we reform the way in which we give away our foreign aid money.

It is time that we place conditions on these cash giveaways to ensure that the American economy and American workers benefit. The Torricelli amendment is a pro-American, pro-U.S. jobs measure, and I urge its adoption.

TRIBUTE TO DR. LONNIE BARNES, JR.

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. TOWNS. Mr. Speaker, I rise today in tribute to Dr. Lonnie Barnes, Jr. Dr. Barnes is being honored for his most recent accomplishment, receiving the honorary doctorate of humanities degree from the Tennessee School of Religion.

Dr. Barnes has distinguished himself as an educator and humanitarian. He currently teaches English at Roosevelt High School in Yonkers, NY. Dr. Barnes also taught in the Philadelphia school system from 1961 to 1963 and served as the principal of the African-American elementary school in Mount Vernon, NY, in 1984. Prior to this, Dr. Barnes was an adjunct professor at Iona College and Monroe College. In addition to his professional credits, Dr. Barnes is involved in a variety of service activities. He has worked with the New Rochelle Boys' and Girls' Club, the Domestic Peace Corps, the Young Men's Christian Association, and currently serves as chairman of the executive committee for the St. Phillip's Episcopal Church Chapter of Boy Scouts of America.

Dr. Barnes received his M.A. in English literature from Herbert A. Lehman College and his B.S. in English and sociology from North Carolina Agricultural and Technical State University. He has participated in advanced studies in the reading program at the College of New Rochelle and Cheyney State University, and advanced studies at Iona College.

Dr. Barnes has numerous awards to his credit, some of which are National Association for the Advancement of Colored People's Community Service Award, the Dr. Martin Luther King Drum Major Award, Tennessee School of Religion Distinguished Citizens Award, Opportunities Program Man of the Year Award, and the Stroke Club of Westchester.

TRIBUTE TO REV. WILLIAM H. BULLOCK

HON. SCOTT L. KLUG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. KLUG. Mr. Speaker, I rise today to welcome the new spiritual leader of the Catholics of southwest Wisconsin, the Most Reverend William H. Bullock. Bishop Bullock will be installed as the third bishop of the Catholic Diocese of Madison at a ceremony this evening. Bishop Bullock follows in the footsteps of much loved Bishop Cletus O'Donnell.

Bishop Bullock's previous experience has prepared him well for the challenges he will face in Wisconsin. Like his previous Diocese of Des Moines, IA, the Diocese of Madison is half rural and half urban; a large capital city surrounded by farm country. Growing up on a farm, Bishop Bullock excels at taking care of the needs of both family farmers and urban professional alike, small county parishes and large suburban ones.

Bishop Bullock brings to us a gift for pastoral care of individuals and a sharp business acumen necessary to run a large church administration. These skills will serve him and the people of southwest Wisconsin well in the years to come.

Mr. Speaker, along with the 250,000 Catholics of the diocese and the more than 900,000 residents of Wisconsin, I welcome Bishop Bullock to my district and wish him well in his labors.

MEDICAID BRAIN INJURY REHABILITATION ACT OF 1993 INTRODUCED

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. WYDEN. Mr. Speaker, I rise today on behalf of myself and Ms. UNSOELD and Mr. FRANK to introduce legislation which I believe will go a long way to get a better break for many thousands of vulnerable health care consumers. I am pleased to report that Senators ROCKEFELLER and DURENBERGER today introduced a companion bill in the Senate.

The Medicaid Brain Injury Rehabilitation Act of 1993 would remove restrictions that prevent States from paying for the full range of appropriate rehabilitation and long-term-care services needed by those who have suffered traumatic brain injuries. My staff has worked with the Congressional Budget Office to ensure that this legislation will provide States with this flexibility while remaining budget neutral.

This legislation would, in addition, make it possible for States to establish case management programs to monitor and coordinate services provided to persons who rely upon the Medicaid program for medically necessary brain injury rehabilitation services.

This bill also provides for a patient bill of rights to protect consumers against a rising tide of waste, fraud, and abuse in this rapidly expanding field of health care.

Finally, the Medicaid Brain Injury Rehabilitation Act would direct States to begin recording data on incidents of head trauma, the treatment brain-injured patients receive, and the outcome of that treatment.

This information is vital because each year as many as 500,000 of our fellow Americans become victims of traumatic brain injury, and up to 90,000 of these individuals go into some form of rehabilitative treatment for those injuries. Treatment for the most severely injured averages over $4 million in lifetime costs. Yet the lack of data on outcome of that treatment leaves doctors and health insurers with no way of making good decisions on spending of scarce health care dollars.

I want my colleagues to know that this bill arose out of a well-demonstrated need. Last year, staff from the subcommittee I chair on Regulation, Business Opportunities, and Technology investigated the brain injury rehabilitation industry, and issued a report describing its findings.

The subcommittee found a large and thriving industry providing treatment to brain injured individuals. Gross revenues for specialized rehabilitation companies are in the neighborhood of $10 billion per year. The business of brain injury rehabilitation is growing rapidly. As more persons survive traumatic brain injury as a result of medical advances, more will seek out rehabilitation to help them quite literally get back on their feet.

Unfortunately, the subcommittee identified a significant number of providers in this field who seem more interested in easy money than in easing the problems of their patients. Problems found by the subcommittee staff included caregivers refusing to provide purchased services, overbilling, physically abusive treatment of patients, and the widespread use of questionable, ineffective, or inappropriate treatments.

The subcommittee report also documented unethical and possibly illegal marketing practices, including providers paying bounties for patient referrals, using bait-and-switch tactics in the provision of promised services, and even going so far as to illicitly purchase hospital records in their ruthless pursuit of new patients.

A 50-State survey of Medicaid-financed services to the brain injured revealed that many States are buying these services, they often cannot determine how many of their Medicaid beneficiaries were diagnosed as brain injured. Some States reported spending tens of millions of dollars per year on brain-injury rehabilitation, but their beneficiaries for

the most part were sent to out-of-State facilities that they could not monitor.

Not only are the States in the dark, but the current system is run by and for these providers, relying far too much on expensive residential care while offering little in the way of more appropriate and most cost effective in-home care. Not surprisingly under these circumstances, appropriate case management in this area of health care is thin, if not nonexistent.

More than anything else our study indicates that government needs to bring rationality to a system that is currently inflexible, expensive, and driven by large, for-profit rehabilitation companies. Too often the brain-injured patient is the loser.

Mr. Speaker, all Americans—the patient, the taxpayer, and the States—have a stake in creating a more rational, humane, and effective rehabilitation industry. I urge my colleagues to support this legislation, which should help make better use of precious health care dollars, while improving the quality and comprehensiveness of services available to brain-injured Americans.

HONORING LEONARD SCHUTZMAN, DISTINGUISHED ALUMNUS OF QUEENS COLLEGE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. ACKERMAN. Mr. Speaker, I rise today to join with my colleagues as well as my Queens College classmates in honoring my friend and fellow graduate, Leonard Schutzman.

His vitae stands as a unique example of someone who benefited greatly from the public school system, and an individual who is deeply involved in helping that system continue to nurture and support its many students.

Lenny Schutzman received a BA in economics and accounting with high honors from Queens College in 1967, and went on to earn an MBA in finance from the University of Rochester. In 1970, he became a certified public accountant.

Combining his education with a strong sense of business administration, Mr. Schutzman held a variety of positions with the accounting firm of Arthur Young. In 1976, he joined Pepsico's world headquarters as assistant corporate controller. His talents were quickly realized and merged into Pepsico's operations as he moved into such diverse positions as vice president for finance for Taco Bell, vice president and controller, vice president for finance in Pepsi-Cola International, senior vice president for finance for Frito-Lay and the position he now holds, senior vice president and treasurer for Pepsico, Inc.

Yet in all of his undertakings, Leonard has always had time to be involved, to help and to give something back to those organizations that helped him. He is an avid supporter of the Queens College Alumni Association and works tirelessly on behalf of his alma mater. He is chairman of the board of the Business Consortium Fund, a not-for-profit minority business development organization. In addition, he serves on the finance advisory council for the American Management Association, and on the executive advisory committee of the William E. Simon Graduate School of Business at the University of Rochester.

Mr. Speaker, the dictum, "To those who have been given much, much is expected," certainly holds true for Leonard Schutzman. As he is now being honored by the Queens College Alumni Association, I ask all my colleagues in the House of Representatives to join with me now in granting him the recognition and good wishes he so richly deserves.

TRIBUTE TO DR. ROBERT C. BATTERMAN

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1993

Mr. DELLUMS. Mr. Speaker, I rise to pay tribute to Dr. Robert C. Batterman, who recently passed away in Oakland, CA.

Dr. Batterman was a friend and an extraordinary citizen. As a physician he was renowned for his research skills and patient care, continuing his practice until days before his untimely death at 82 years of age. His expertise in various medical specialties was widely recognized, earning him national honors and positions on various commissions and boards.

Dr. Batterman was an active citizen and community participant. He was always prepared and willing to share his expertise with those who called upon it: Governors, legislators, mayors and his colleagues. His inspired commitment to equality and improved race relations placed him among the leadership in a manner that many more should emulate.

We will miss Dr. Batterman's profound contributions to medicine, to his friends and family, and to his community. Always a man with a knowledgeable opinion, a gracious smile, a caring hand and a loving wit, his absence will leave a void that will be difficult to fill. We join with his beloved family in honoring this vital and important personage.